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1 **TITLE I—IMPROVING THE ACA-**
2 **DEMIC PERFORMANCE OF THE**
3 **DISADVANTAGED**

4 **PART A—BASIC PROGRAM**

5 **SEC. 101. DISADVANTAGED CHILDREN MEET HIGH STAND-**
6 **ARDS.**

7 Section 1001 is amended to read as follows:

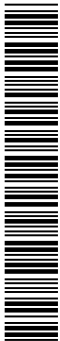
8 **“SEC. 1001. FINDINGS; STATEMENT OF PURPOSE; AND REC-**
9 **OGNITION OF NEED.**

10 “(a) FINDINGS.—Congress finds the following:

11 “(1) The Constitution of the United States re-
12 serves to the States and to the people the responsi-
13 bility for the general supervision of public education
14 in kindergarten through the twelfth grade.

15 “(2) States and local educational agencies need
16 the maximum liberty to build upon existing innova-
17 tive approaches for education reform and continue
18 their proven record of increasing student success.

19 “(3) The best education decisions are made by
20 those who know the students best and who are re-
21 sponsible for implementing the decisions, and there-
22 fore, educators and parents should retain the right
23 and responsibility to educate their pupils and chil-
24 dren free of excessive regulation by the Federal Gov-
25 ernment.



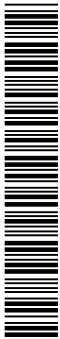
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1 “(4) The Supreme Court has regarded the right
2 of parents to direct the upbringing of their children
3 as a fundamental right implicit in the concept of or-
4 dered liberty within the 14th Amendment to the
5 Constitution, as specified in Meyer v. Nebraska, 262
6 US 390 (1923) and Pierce v. Society of Sisters, 268
7 US 510 (1925).

8 “(5) Schools that enroll high concentrations of
9 children living in poverty face the greatest chal-
10 lenges, but effective educational strategies based on
11 scientifically based research can succeed in edu-
12 cating children to high standards.

13 “(6) High-poverty schools are much more likely
14 to be identified as failing to meet State standards
15 for satisfactory progress. As a result, these schools
16 are generally the most in need of additional re-
17 sources and technical assistance to build the capac-
18 ity of these schools to address the many needs of
19 their students.

20 “(7) The educational progress of children par-
21 ticipating in programs under this title is closely as-
22 sociated with their being taught by a highly qualified
23 staff, particularly in schools with the highest con-
24 centrations of poverty, where paraprofessionals,



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1 uncertified teachers, and teachers teaching out of
2 field frequently provide instructional services.

3 “(8) Congress and the public would benefit
4 from additional data evaluating the efficacy of the
5 Elementary and Secondary Education Act of 1965.

6 “(9) States, local educational agencies, and
7 schools should be given as much flexibility as pos-
8 sible in exchange for greater accountability for im-
9 proving student achievement.

10 “(10) Schools operating programs assisted
11 under this part must be held accountable for the
12 educational achievement of their students, when
13 those students fail to demonstrate progress in
14 achieving high standards, local educational agencies
15 and States must take significant actions to improve
16 the educational opportunities available to them.

17 “(b) PURPOSE AND INTENT.—The purpose and in-
18 tent of this title are to ensure that all children have a
19 fair and equal opportunity to obtain a high-quality edu-
20 cation.

21 “(c) RECOGNITION OF NEED.—The Congress recog-
22 nizes the following:

23 “(1) Educational needs are particularly great
24 for low-achieving children in our Nation’s highest-
25 poverty schools, children with limited English pro-



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1 ficiency, children of migrant workers, children with
2 disabilities, Indian children, children who are ne-
3 glected or delinquent, and young children who are in
4 need of reading assistance.

5 “(2) Despite more than 3 decades of Federal
6 assistance, a sizable achievement gap remains be-
7 tween minority and nonminority students, and be-
8 tween disadvantaged students and their more advan-
9 taged peers.

10 “(3) Too many students attend local schools
11 that fail to provide them with a quality education,
12 and are given no alternatives to enable them to re-
13 ceive a quality education.

14 “(4) States, local educational agencies, and
15 schools need to be held accountable for improving
16 the academic achievement of all students, and for
17 identifying and turning around low-performing
18 schools.

19 “(5) Federal education assistance is intended
20 not only to increase pupil achievement overall, but
21 also more specifically and importantly, to help en-
22 sure that all students, especially the disadvantaged,
23 meet challenging achievement standards. It can only
24 be determined if schools, local educational agencies,
25 and States are reaching this goal if student achieve-



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1 ment results are reported specifically by disadvan-
2 tagged and minority status.”.

3 **SEC. 102. AUTHORIZATION OF APPROPRIATIONS.**

4 Section 1002 is amended to read as follows:

5 **“SEC. 1002. AUTHORIZATION OF APPROPRIATIONS.**

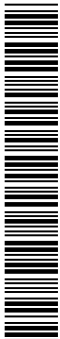
6 “(a) LOCAL EDUCATIONAL AGENCY GRANTS.—For
7 the purpose of carrying out part A, other than section
8 1120(e), there are authorized to be appropriated
9 \$9,061,000,000 for fiscal year 2002 and such sums as
10 may be necessary for each of the 4 succeeding fiscal years.

11 “(b) STUDENT READING SKILLS IMPROVEMENT
12 GRANTS.—

13 “(1) READING FIRST.—For the purpose of car-
14 rying out subpart 1 of part B, there are authorized
15 to be appropriated \$900,000,000 for fiscal year
16 2002 and such sums as may be necessary for each
17 of the 4 succeeding fiscal years.

18 “(2) EARLY READING FIRST.—For the purpose
19 of carrying out subpart 2 of part B, there are au-
20 thorized to be appropriated \$75,000,000 for fiscal
21 year 2002 and such sums as may be necessary for
22 each of the 4 succeeding fiscal years.

23 “(3) EVEN START.—For the purpose of car-
24 rying out subpart 3 of part B, there are authorized
25 to be appropriated \$250,000,000 for fiscal year



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1 2002 and such sums as may be necessary for each
2 of the 4 succeeding fiscal years.

3 “(c) EDUCATION OF MIGRATORY CHILDREN.—For
4 the purpose of carrying out part C, there are authorized
5 to be appropriated \$380,000,000 for fiscal year 2002 and
6 such sums as may be necessary for each of the 4 suc-
7 ceeding fiscal years.

8 “(d) PREVENTION AND INTERVENTION PROGRAMS
9 FOR YOUTH WHO ARE NEGLECTED, DELINQUENT, OR AT
10 RISK OF DROPPING OUT.—For the purpose of carrying
11 out part D, there are authorized to be appropriated
12 \$46,000,000 for fiscal year 2002 and such sums as may
13 be necessary for each of the 4 succeeding fiscal years.

14 “(e) COMPREHENSIVE SCHOOL REFORM.—For the
15 purpose of carrying out part F, there are authorized to
16 be appropriated \$260,000,000 for fiscal year 2002 and
17 such sums as may be necessary for each of the 4 suc-
18 ceeding fiscal years.

19 “(f) RURAL EDUCATION.—For the purpose of car-
20 rying out part G, there are authorized to be appropriated
21 \$125,000,000 for fiscal year 2002 and such sums as may
22 be necessary for each of 4 succeeding fiscal years to be
23 distributed equally between subparts 1 and 2.



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1 “(g) CAPITAL EXPENSES.—For the purpose of car-
2 rying out section 1120(e), there are authorized to be ap-
3 propriated \$5,000,000 for fiscal year 2002.

4 “(h) FEDERAL ACTIVITIES.—

5 “(1) SECTION 1501 AND 1502.—(A) For the pur-
6 pose of carrying out section 1501, there are author-
7 ized to be appropriated \$9,000,000 for fiscal year
8 2002 and such sums as may be necessary for each
9 of the 4 succeeding fiscal years.

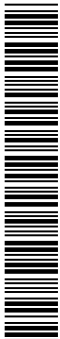
10 “(B) For the purpose of carrying out section
11 1502, there are authorized to be appropriated such
12 sums as may be necessary for fiscal year 2002 and
13 for each of the 4 succeeding fiscal years.

14 “(i) STATE ADMINISTRATION.—

15 “(1) STATE RESERVATION.—Each State may
16 reserve, from the sum of the amounts it receives
17 under parts A, C, and D of this title, an amount
18 equal to the greater of 1 percent of the amount it
19 received under such parts for fiscal year 2001, or
20 \$400,000 (\$50,000 for each outlying area), includ-
21 ing any funds it receives under paragraph (2), to
22 carry out administrative duties assigned under parts
23 A, C, and D.

24 “(2) AUTHORIZATION OF APPROPRIATIONS.—

25 There are authorized to be appropriated



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1 \$10,000,000 for fiscal year 2002 and such sums as
2 may be necessary for each of the 4 succeeding fiscal
3 years for additional State administration grants.
4 Any such additional grants shall be allocated among
5 the States in proportion to the sum of the amounts
6 received by each State for that fiscal year under
7 parts A, C, and D of this title.

8 “(3) SPECIAL RULE.—The amount allocated to
9 each State under this subsection may not exceed the
10 amount of State funds expended by the State edu-
11 cational agency to administer elementary and sec-
12 ondary education programs in such State.

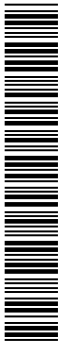
13 **SEC. 103. RESERVATION FOR SCHOOL IMPROVEMENT.**

14 Section 1003 is amended to read as follows:

15 “RESERVATION FOR SCHOOL IMPROVEMENT

16 “(a) STATE RESERVATIONS.—Each State shall re-
17 serve 3.5 percent of the amount it receives under subpart
18 2 of part A for fiscal years 2002 and 2003, and 5 percent
19 of the amount received under such subpart for fiscal years
20 2004 through 2006, to carry out subsection (b) and to
21 carry out the State’s responsibilities under sections 1116
22 and 1117, including carrying out the State educational
23 agency’s statewide system of technical assistance and sup-
24 port for local educational agencies.

25 “(b) USES.—Of the amount reserved under sub-
26 section (a) for any fiscal year, the State educational agen-



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1 cy shall make available at least 95 percent of that amount
2 directly to local educational agencies for schools identified
3 for school improvement, corrective action, and restruc-
4 turing under section 1116(c).”.

5 “(c) UNUSED FUNDS.—If, after consultation with
6 local educational agencies in the State, the State edu-
7 cational agency determines that the amount of funds re-
8 serve to carry out subsection (b) is greater than the
9 amount needed to provide the assistance described in that
10 subsection, it may allocate the excess amount to local edu-
11 cational agencies in accordance with either or both—

12 “(1) the relative allocations it made to those
13 agencies for that fiscal year under subpart 2 of part
14 A; or

15 “(2) section 1126(c).”.

16 **SEC. 104. BASIC PROGRAMS.**

17 Part A of title I is amended to read as follows:

18 **“PART A—IMPROVING BASIC PROGRAMS**

19 **OPERATED BY LOCAL EDUCATIONAL AGENCIES**

20 **“Subpart 1—Basic Program Requirements**

21 **“SEC. 1111. STATE PLANS.**

22 “(a) PLANS REQUIRED.—

23 “(1) IN GENERAL.—Any State desiring to re-
24 ceive a grant under this part shall submit to the
25 Secretary, by March 1, 2002, a plan, developed in



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1 consultation with local educational agencies, teach-
2 ers, principals, pupil services personnel, administra-
3 tors (including administrators of programs described
4 in other parts of this title), other staff, and parents,
5 that satisfies the requirements of this section and
6 that is coordinated with other programs under this
7 Act, the Individuals with Disabilities Education Act,
8 the Carl D. Perkins Vocational and Technical Edu-
9 cation Act of 1998, and the Head Start Act.

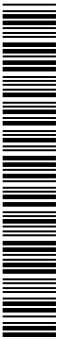
10 “(2) CONSOLIDATED PLAN.—A State plan sub-
11 mitted under paragraph (1) may be submitted as
12 part of a consolidated plan under section 8302.

13 “(b) STANDARDS, ASSESSMENTS, AND ACCOUNT-
14 ABILITY.—

15 “(1) CHALLENGING STANDARDS.—

16 “(A) Each State plan shall demonstrate
17 that the State has adopted challenging content
18 standards and challenging student achievement
19 standards that will be used by the State, its
20 local educational agencies, and its schools to
21 carry out this part, except that a State shall
22 not be required to submit such standards to the
23 Secretary.

24 “(B) The standards required by subpara-
25 graph (A) shall be the same standards that the



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1 State applies to all schools and children in the
2 State.

3 “(C) The State shall have such standards
4 for all public elementary and secondary school
5 children served under this part in subjects de-
6 termined by the State, but including at least
7 mathematics, reading or language arts, and
8 science (consistent with the special rule in sec-
9 tion 1111(j), which shall include the same
10 knowledge, skills, and levels of achievement ex-
11 pected of all children.

12 “(D) Standards under this paragraph shall
13 include—

14 “(i) challenging content standards in
15 academic subjects that—

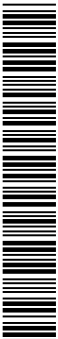
16 “(I) specify what children are ex-
17 pected to know and be able to do;

18 “(II) contain coherent and rig-
19 orous content; and

20 “(III) encourage the teaching of
21 advanced skills; and

22 “(ii) challenging student achievement
23 standards that—

24 “(I) are aligned with the State’s
25 content standards;



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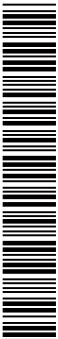
1 “(II) describe 2 levels of high
2 performance, proficient and advanced,
3 that determine how well children are
4 mastering the material in the State
5 content standards; and

6 “(III) describe a third level of
7 performance, basic, to provide com-
8 plete information about the progress
9 of the lower performing children to-
10 ward achieving to the proficient and
11 advanced levels of performance.

12 “(E) For the subjects in which students
13 will be served under this part, but for which a
14 State is not required by subparagraphs (A),
15 (B), and (C) to develop, and has not otherwise
16 developed such standards, the State plan shall
17 describe a strategy for ensuring that students
18 are taught the same knowledge and skills in
19 such subjects and held to the same expectations
20 as are all children.

21 “(2) ACCOUNTABILITY.—

22 “(A) IN GENERAL.—Each State plan shall
23 demonstrate that the State has developed and is
24 implementing a statewide State accountability
25 system that has been or will be effective in en-



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1 suring that all local educational agencies, public
2 elementary schools, and public secondary
3 schools make adequate yearly progress as de-
4 fined under subparagraph (B). Each State ac-
5 countability system shall—

6 “(i) be based on the standards and as-
7 sessments adopted under paragraphs (1)
8 and (4) and take into account the perform-
9 ance of all public school students;

10 “(ii) be the same as the accountability
11 system the State uses for all public schools
12 or all local educational agencies in the
13 State, except that public schools and local
14 educational agencies not participating
15 under this part are not subject to the re-
16 quirements of section 1116(c); and

17 “(iii) include rewards and sanctions
18 the State will use to hold local educational
19 agencies and public schools accountable for
20 student achievement and for ensuring that
21 they make adequate yearly progress in ac-
22 cordance with the State’s definition under
23 subparagraph (B).

24 “(B) ADEQUATE YEARLY PROGRESS.—
25 Each State plan shall demonstrate, based on



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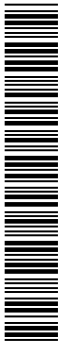
1 assessments described under paragraph (4),
2 what constitutes adequate yearly progress of
3 the State, and of public schools and local edu-
4 cational agencies in the State, toward enabling
5 all public school students to meet the State's
6 student achievement standards, while working
7 toward the goal of narrowing the achievement
8 gaps in the State.

9 “(C) DEFINITION.—‘Adequate yearly
10 progress’ shall be defined by the State in a
11 manner that—

12 “(i) applies the same high standards
13 of academic performance to all public
14 school students in the State;

15 “(ii) measures the progress of public
16 schools and local educational agencies
17 based primarily on the assessments de-
18 scribed in paragraph (4);

19 “(iii) includes annual measurable ob-
20 jectives for continuing and significant im-
21 provement in each of the following (except
22 that disaggregation of data under sub-
23 clauses (II) and (III) shall not be required
24 in a case in which the number of students
25 in a category is insufficient to yield statis-



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1 tically reliable information or the results
2 would reveal individually identifiable infor-
3 mation about an individual student):

4 “(I) The achievement of all public
5 school students.

6 “(II) The achievement of—

7 “(aa) economically disadvan-
8 taged students;

9 “(bb) students from major
10 racial and ethnic groups;

11 “(cc) students with disabil-
12 ities; and

13 “(dd) students with limited
14 English proficiency;

15 “(III) solely for the purpose of deter-
16 mining adequate yearly progress of the
17 State, the acquisition of English language
18 proficiency by children with limited
19 English proficiency;

20 “(iv) at the State’s discretion, may
21 also include other academic measures such
22 as promotion, completion of college pre-
23 paratory courses, and high school comple-
24 tion (and for individual local educational
25 agencies and schools, the acquisition of

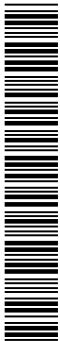


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1 English language proficiency by children
2 with limited English proficiency), except
3 that inclusion of such other measures may
4 not change which schools or local edu-
5 cational agencies would otherwise be sub-
6 ject to improvement or corrective action
7 under section 1116 if the discretionary in-
8 dicators were not included; and

9 “(v) includes a timeline for ensuring
10 that each group of students described in
11 subclauses (I) and (II) of clause (iii) meets
12 or exceeds the State’s proficient level of
13 performance on the State assessment used
14 for the purposes of this section and section
15 1116 within 10 years from the date of the
16 enactment of the No Child Left Behind
17 Act of 2001.

18 “(D) ANNUAL IMPROVEMENT FOR
19 SCHOOLS.—For a school to make adequate
20 yearly progress under subparagraph (A), not
21 less than 95 percent of each group of students
22 described in subparagraph (C)(iii)(II) who are
23 enrolled in the school are required to take the
24 assessments, consistent with section
25 612(a)(17)(A) of the Individuals with Disabil-

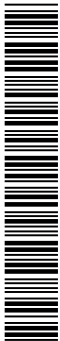


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1 ities Education Act and paragraph (4)(G)(ii),
2 on which adequate yearly progress is based.

3 “(E) PUBLIC NOTICE AND COMMENT.—
4 Each State shall ensure that in developing its
5 plan, it diligently seeks public comment from a
6 range of institutions and individuals in the
7 State with an interest in improved student
8 achievement and that the State makes and will
9 continue to make a substantial effort to ensure
10 that information under this part is widely
11 known and understood by the public, parents,
12 teachers, and school administrators throughout
13 the State. Such efforts shall include, at a min-
14 imum, publication of such information and ex-
15 planatory text, broadly to the public through
16 such means as the Internet, the media, and
17 public agencies.

18 “(3) STATE AUTHORITY.—If a State edu-
19 cational agency provides evidence, which is satisfac-
20 tory to the Secretary, that neither the State edu-
21 cational agency nor any other State government offi-
22 cial, agency, or entity has sufficient authority, under
23 State law, to adopt curriculum content and student
24 achievement standards, and assessments aligned
25 with such standards, which will be applicable to all



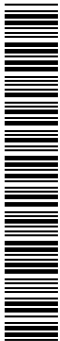
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1 students enrolled in the State's public schools, then
2 the State educational agency may meet the require-
3 ments of this subsection by—

4 “(A) adopting standards and assessments
5 that meet the requirements of this subsection,
6 on a statewide basis, limiting their applicability
7 to students served under this part; or

8 “(B) adopting and implementing policies
9 that ensure that each local educational agency
10 in the State which receives grants under this
11 part will adopt curriculum content and student
12 achievement standards, and assessments
13 aligned with such standards, which meet all of
14 the criteria in this subsection and any regula-
15 tions regarding such standards and assessments
16 which the Secretary may publish, and which are
17 applicable to all students served by each such
18 local educational agency.

19 “(4) ASSESSMENTS.—Each State plan shall
20 demonstrate that the State has implemented a set of
21 high-quality, yearly student assessments that in-
22 clude, at a minimum, assessments in mathematics,
23 reading or language arts, and science (consistent
24 with the special rule in section 1111(j), that will be
25 used as the primary means of determining the yearly



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1 performance of each local educational agency and
2 school in enabling all children to meet the State's
3 challenging student achievement standards. Such as-
4 sessments shall—

5 “(A) be the same assessments used to
6 measure the performance of all children;

7 “(B) be aligned with the State's chal-
8 lenging content and student achievement stand-
9 ards and provide coherent information about
10 student attainment of such standards;

11 “(C) be used for purposes for which such
12 assessments are valid and reliable, and be con-
13 sistent with relevant, recognized professional
14 and technical standards for such assessments;

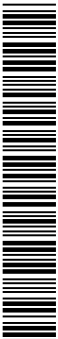
15 “(D) measure the proficiency of students
16 in the academic subjects in which a State has
17 adopted challenging content and student
18 achievement standards, and be administered not
19 less than 1 or more times during—

20 “(i) grades 3 through 5;

21 “(ii) grades 6 through 9; and

22 “(iii) grades 10 through 12;

23 “(E) involve multiple up-to-date measures
24 of student achievement, including measures that



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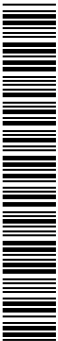
1 assess higher order thinking skills and under-
2 standing;

3 “(F) beginning not later than school year
4 2004-2005, measure the performance of stu-
5 dents against the challenging State content and
6 student achievement standards in grades 3
7 through 8 in at least mathematics, and reading
8 or language arts, except that the Secretary may
9 provide the State 1 additional year if the State
10 demonstrates that exceptional or uncontrollable
11 circumstances, such as a natural disaster or a
12 precipitous and unforeseen decline in the finan-
13 cial resources of the State, prevented full imple-
14 mentation of the assessments by that deadline
15 and that it will complete implementation within
16 the additional 1-year period;

17 “(G) provide for—

18 “(i) the participation in such assess-
19 ments of all students;

20 “(ii) the reasonable adaptations and
21 accommodations for students with disabil-
22 ities defined under 602(3) of the Individ-
23 uals with Disabilities Education Act nec-
24 essary to measure the achievement of such



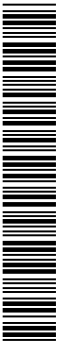
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1 students relative to State content and
2 State student achievement standards;

3 “(iii) the inclusion of limited English
4 proficient students who shall be assessed,
5 to the extent practicable, in the language
6 and form most likely to yield accurate and
7 reliable information on what such students
8 know and can do in content areas;

9 “(iv) notwithstanding clause (iii), the
10 assessment (using tests written in English)
11 of reading or language arts of any student
12 who has attended school in the United
13 States (not including Puerto Rico) for 3 or
14 more consecutive school years, except if the
15 local educational agency determines, on a
16 case-by-case individual basis, that assess-
17 ments in another language and form would
18 likely yield more accurate and reliable in-
19 formation on what such students know and
20 can do, the local educational agency may
21 assess such students in the appropriate
22 language other than English for 1 addi-
23 tional year; and

24 “(H) include students who have attended
25 schools in a local educational agency for a full



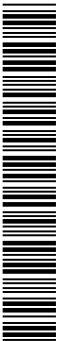
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1 academic year but have not attended a single
2 school for a full academic year, except that the
3 performance of students who have attended
4 more than 1 school in the local educational
5 agency in any academic year shall be used only
6 in determining the progress of the local edu-
7 cational agency;

8 “(I) produce individual student reports to
9 be provided to parents, which include assess-
10 ment scores, or other information on the attain-
11 ment of student achievement standards; and

12 “(J) enable results to be disaggregated
13 within each State, local educational agency, and
14 school by gender, by each major racial and eth-
15 nic group, by English proficiency status, by mi-
16 grant status, by students with disabilities as
17 compared to nondisabled students, and by eco-
18 nomically disadvantaged students as compared
19 to students who are not economically disadvan-
20 tagged.

21 “(5) SPECIAL RULE.—Assessment measures
22 that do not meet the requirements of paragraph
23 (4)(C) may be included as 1 of the multiple meas-
24 ures, if a State includes in the State plan informa-



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1 tion regarding the State's efforts to validate such
2 measures.

3 “(6) LANGUAGE ASSESSMENTS.—Each State
4 plan shall identify the languages other than English
5 that are present in the participating student popu-
6 lation and indicate the languages for which yearly
7 student assessments are not available and are need-
8 ed. The State shall make every effort to develop
9 such assessments and may request assistance from
10 the Secretary if linguistically accessible assessment
11 measures are needed. Upon request, the Secretary
12 shall assist with the identification of appropriate as-
13 sessment measures in the needed languages, but
14 shall not mandate a specific assessment or mode of
15 instruction.

16 “(7) ASSESSMENTS OF ENGLISH LANGUAGE
17 PROFICIENCY.—Each State plan shall demonstrate
18 that local educational agencies in the State will, be-
19 ginning no later than school year 2002–2003, annu-
20 ally assess the English proficiency of all students
21 with limited English proficiency in their schools.”.

22 “(8) REQUIREMENT.—Each State plan shall
23 describe—

24 “(A) how the State educational agency will
25 assist each local educational agency and school



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1 affected by the State plan to develop the capac-
2 ity to comply with each of the requirements of
3 sections 1112(c)(1)(D), 1114(c), and 1115(c)
4 that is applicable to such agency or school; and

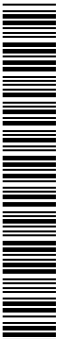
5 “(B) such other factors as the State con-
6 siderers appropriate to provide students an oppor-
7 tunity to achieve the knowledge and skills de-
8 scribed in the challenging content standards
9 adopted by the State.

10 “(c) OTHER PROVISIONS TO SUPPORT TEACHING
11 AND LEARNING.—Each State plan shall contain assur-
12 ances that—

13 “(1) the State shall produce, beginning with the
14 2003–2004 school year, the annual State report
15 cards described in subsection (h)(1);

16 “(2) the State will participate, beginning in
17 school year 2002–2003, participate in annual assess-
18 ments of 4th and 8th grade reading and mathe-
19 matics under—

20 “(A) the State National Assessment of
21 Educational Progress carried out under section
22 411(b)(2) of the National Education Statistics
23 Act of 1994; or



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1 “(B) another assessment selected by the
2 State which meets the criteria of section
3 7101(b)(1)(B)(ii) of this Act.

4 “(3) the State educational agency shall work
5 with other agencies, including educational service
6 agencies or other local consortia, and institutions to
7 provide technical assistance to local educational
8 agencies and schools to carry out the State edu-
9 cational agency’s responsibilities under this part, in-
10 cluding technical assistance in providing professional
11 development under section 1119A and technical as-
12 sistance under section 1117; and

13 “(4)(A) where educational service agencies
14 exist, the State educational agency shall consider
15 providing professional development and technical as-
16 sistance through such agencies; and

17 “(B) where educational service agencies do not
18 exist, the State educational agency shall consider
19 providing professional development and technical as-
20 sistance through other cooperative agreements such
21 as through a consortium of local educational agen-
22 cies;

23 “(5) the State educational agency shall notify
24 local educational agencies and the public of the con-
25 tent and student achievement standards and assess-



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1 ments developed under this section, and of the au-
2 thority to operate schoolwide programs, and will ful-
3 fill the State educational agency's responsibilities re-
4 garding local educational agency improvement and
5 school improvement under section 1116, including
6 such corrective actions as are necessary;

7 “(6) the State educational agency shall provide
8 the least restrictive and burdensome regulations for
9 local educational agencies and individual schools par-
10 ticipating in a program assisted under this part;

11 “(7) the State educational agency shall inform
12 the Secretary and the public of how Federal laws, if
13 at all, hinder the ability of States to hold local edu-
14 cational agencies and schools accountable for stu-
15 dent academic performance;

16 “(8) the State educational agency will encour-
17 age schools to consolidate funds from other Federal,
18 State, and local sources for schoolwide reform in
19 schoolwide programs under section 1114;

20 “(9) the State educational agency shall modify
21 or eliminate State fiscal and accounting barriers so
22 that schools can easily consolidate funds from other
23 Federal, State, and local sources for schoolwide pro-
24 grams under section 1114;



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1 “(10) the State educational agency has involved
2 the committee of practitioners established under sec-
3 tion 1603(b) in developing the plan and monitoring
4 its implementation; and

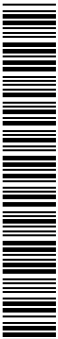
5 “(11) the State educational agency shall inform
6 local educational agencies of the local educational
7 agency’s authority to transfer funds or enter into
8 performance agreements under title VII, to obtain
9 waivers under title VIII and, if the State is an Ed-
10 Flex Partnership State, to obtain waivers under the
11 Education Flexibility Partnership Act of 1999 (20
12 U.S.C. 5891a et seq.).

13 “(d) PEER REVIEW AND SECRETARIAL APPROVAL.—
14 The Secretary shall—

15 “(1) establish a peer review process to assist in
16 the review of State plans;

17 “(2) approve a State plan within 120 days of
18 its submission unless the Secretary determines that
19 the plan does not meet the requirements of this sec-
20 tion;

21 “(3) if the Secretary determines that the State
22 plan does not meet the requirements of subsection
23 (a), (b), or (c), immediately notify the State of such
24 determination and the reasons for such determina-
25 tion;



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1 “(4) not decline to approve a State’s plan
2 before—

3 “(A) offering the State an opportunity to
4 revise its plan;

5 “(B) providing technical assistance in
6 order to assist the State to meet the require-
7 ments under subsections (a), (b), and (c); and

8 “(C) providing a hearing; and

9 “(5) have the authority to disapprove a State
10 plan for not meeting the requirements of this part,
11 but shall not have the authority to require a State,
12 as a condition of approval of the State plan, to in-
13 clude in, or delete from, such plan 1 or more specific
14 elements of the State’s content standards or to use
15 specific assessment instruments or items.

16 “(e) DURATION OF THE PLAN.—

17 “(1) IN GENERAL.—Each State plan shall—

18 “(A) be submitted for the first year for
19 which this part is in effect after the date of the
20 enactment of the No Child Left Behind Act of
21 2001;

22 “(B) remain in effect for the duration of
23 the State’s participation under this part; and

24 “(C) be periodically reviewed and revised
25 by the State, as necessary, to reflect changes in



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1 the State's strategies and programs under this
2 part.

3 “(2) ADDITIONAL INFORMATION.—If the State
4 makes significant changes in its plan, such as the
5 adoption of new State content standards and State
6 student achievement standards, new assessments, or
7 a new definition of adequate yearly progress, the
8 State shall submit such information to the Sec-
9 retary.

10 “(f) LIMITATION ON CONDITIONS.—Nothing in this
11 part shall be construed to authorize an officer or employee
12 of the Federal Government to mandate, direct, or control
13 a State, local educational agency, or school's specific in-
14 structional content or student achievement standards and
15 assessments, curriculum, or program of instruction, as a
16 condition of eligibility to receive funds under this part.

17 “(g) PENALTIES.—

18 “(1) FAILURE TO MEET DEADLINES ENACTED
19 IN 1994.—

20 “(A) IN GENERAL.—If a State fails to
21 meet the deadlines established by the Improving
22 America's Schools Act of 1994 (or under any
23 waiver granted by the Secretary or under any
24 compliance agreement with the Secretary) for
25 demonstrating that it has in place challenging



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1 content standards and student achievement
2 standards, and a system for measuring and
3 monitoring adequate yearly progress, the Sec-
4 retary shall withhold 25 percent of the funds
5 that would otherwise be available for State ad-
6 ministration and activities in each year until
7 the Secretary determines that the State meets
8 those requirements;

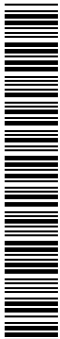
9 “(B) NO EXTENSION.—The Secretary shall
10 not grant any additional waivers of, or enter
11 into any additional compliance agreements to
12 extend, the deadlines described in subparagraph
13 (A) for any State.

14 “(2) FAILURE TO MEET REQUIREMENTS EN-
15 ACTED IN 2001.—If a State fails to meet any of the
16 requirements of this section, other than the require-
17 ments described in paragraph (1), the Secretary may
18 withhold funds for State administration and for ac-
19 tivities until the Secretary determines that the State
20 has fulfilled those requirements.

21 “(h) REPORTS.—

22 “(1) ANNUAL STATE REPORT CARD.—

23 “(A) IN GENERAL.—Not later than the be-
24 ginning of the 2003–2004 school year, a State
25 that receives assistance under this Act shall



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1 prepare and disseminate an annual State “re-
2 port card”.

3 “(B) IMPLEMENTATION.—The State report
4 card shall be—

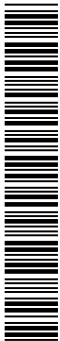
5 “(i) concise; and

6 “(ii) presented in a format and man-
7 ner that parents can understand, and
8 which, to the extent practicable, shall be in
9 a language the parents can understand.

10 “(C) PUBLIC DISSEMINATION.—The State
11 shall widely disseminate the information de-
12 scribed in subparagraph (D) to all schools and
13 local educational agencies in the State and
14 make the information broadly available through
15 public means, such as posting on the Internet,
16 distribution to the media, and distribution
17 through public agencies.

18 “(D) REQUIRED INFORMATION.—The
19 State shall include in its annual State report
20 card—

21 “(i) information, in the aggregate, on
22 student achievement at each proficiency
23 level on the State assessments described in
24 subsection (b)(4)(F) (disaggregated by
25 race, ethnicity, gender, disability status,



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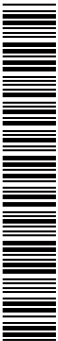
1 migrant status, English proficiency, and
2 status as economically disadvantaged, ex-
3 cept that such disaggregation shall not be
4 required in a case in which the number of
5 students in a category is insufficient to
6 yield statistically reliable information or
7 the results would reveal individually identi-
8 fiable information about an individual stu-
9 dent);

10 “(ii) the percentage of students not
11 tested (disaggregated by the same cat-
12 egories and subject to the same exception);

13 “(iii) the percentage of students who
14 graduate from high school within 4 years
15 of starting high school;

16 “(iv) the rate of completion of Ad-
17 vanced Placement courses and the rate of
18 passing of Advanced Placement tests;

19 “(v) the professional qualifications of
20 teachers in the aggregate, including the
21 percentage of teachers teaching with emer-
22 gency or provisional qualifications, and the
23 percentage of class sections not taught by
24 fully qualified teachers; and



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1 “(vi) such other information (such as
2 dropout and school attendance rates; and
3 average class size by grade level) as the
4 State believes will best provide parents,
5 students, and other members of the public
6 with information on the progress of each of
7 the State’s public schools.

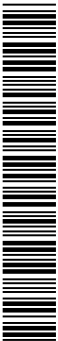
8 “(2) CONTENT OF LOCAL EDUCATIONAL AGEN-
9 CY REPORT CARDS.—

10 “(A) MINIMUM REQUIREMENTS.—The
11 State shall ensure that each local educational
12 agency collects appropriate data and includes in
13 its annual report for each of its schools, at a
14 minimum—

15 “(i) the information described in para-
16 graph (1)(D) for each local educational
17 agency and school; and

18 “(ii)(I) in the case of a local edu-
19 cational agency—

20 “(aa) the number and percentage
21 of schools identified for school im-
22 provement and how long they have
23 been so identified, including schools
24 identified under section 1116(c) of
25 this Act; and



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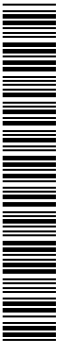
1 “(bb) information that shows
2 how students in its schools perform on
3 the statewide assessment compared to
4 students in the State as a whole; and
5 “(II) in the case of a school—

6 “(aa) whether it has been identi-
7 fied for school improvement; and

8 “(bb) information that shows
9 how its students performed on the
10 statewide assessment compared to
11 students in the local educational agen-
12 cy and the State as a whole.

13 “(B) OTHER INFORMATION.—A local edu-
14 cational agency may include in its annual re-
15 ports any other appropriate information wheth-
16 er or not such information is included in the
17 annual State report.

18 “(C) PUBLIC DISSEMINATION.—The local
19 educational agency shall, not later than the be-
20 ginning of the 2003–2004 school year, publicly
21 disseminate the information described in this
22 paragraph to all schools in the district and to
23 all parents of students attending those schools
24 (to the extent practicable, in a language they
25 can understand), and make the information



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1 broadly available through public means, such as
2 posting on the Internet, distribution to the
3 media, and distribution through public agencies.

4 “(3) PRE-EXISTING REPORT CARDS.—A State
5 or local educational agency that was providing public
6 report cards on the performance of students,
7 schools, local educational agencies, or the State prior
8 to the enactment of the No Child Left Behind Act
9 of 2001 may use those reports for the purpose of
10 this subsection, so long as any such report is modi-
11 fied, as may be needed, to contain the information
12 required by this subsection.

13 “(4) ANNUAL STATE REPORT TO THE SEC-
14 RETARY.—Each State receiving assistance under
15 this Act shall report annually to the Secretary, and
16 make widely available within the State—

17 “(A) beginning with school year 2001–
18 2002, information on the State’s progress in
19 developing and implementing the assessment
20 system described in subsection (b)(4);

21 “(B) beginning not later than school year
22 2004–2005, information on the achievement of
23 students on the assessments required by that
24 subsection, including the disaggregated results



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1 for the categories of students identified in sub-
2 section (b)(2)(C)(iii)(II);

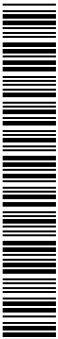
3 “(C) beginning not later than school year
4 2002–2003, information on the acquisition of
5 English proficiency by children with limited
6 English proficiency; and

7 “(D) in any year before the State begins to
8 provide the information described in subpara-
9 graph (B), information on the results of stu-
10 dent assessments (including disaggregated re-
11 sults) required under this section.

12 “(5) PARENTS RIGHT-TO-KNOW.—

13 “(A) QUALIFICATIONS.—At the beginning
14 of each school year, a local educational agency
15 that receives funds under this part shall notify
16 the parents of each student attending any
17 school receiving funds under this part that they
18 may request, and shall provide the parents
19 upon request (and in a timely manner), infor-
20 mation regarding the professional qualifications
21 of the student’s classroom teachers, including,
22 at a minimum, the following:

23 “(i) Whether the teacher has met
24 State qualification and licensing criteria



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1 for the grade levels and subject areas in
2 which the teacher provides instruction.

3 “(ii) Whether the teacher is teaching
4 under emergency or other provisional sta-
5 tus through which State qualification or li-
6 censing criteria have been waived.

7 “(iii) The baccalaureate degree major
8 of the teacher and any other graduate cer-
9 tification or degree held by the teacher,
10 and the field of discipline of the certifi-
11 cation or degree.

12 “(iv) Whether the child is provided
13 services by paraprofessionals and the quali-
14 fications of such paraprofessional.

15 “(B) ADDITIONAL INFORMATION.—In ad-
16 dition to the information which parents may re-
17 quest under subparagraph (A), and the infor-
18 mation provided in subsection (c), a school
19 which receives funds under this part shall pro-
20 vide to each individual parent—

21 “(i) information on the level of per-
22 formance of the individual student for
23 whom they are the parent in each of the
24 State assessments as required under this
25 part; and



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1 “(ii) timely notice that the student for
2 whom they are the parent has been as-
3 signed, or has been taught for 4 or more
4 consecutive weeks by, a teacher who is not
5 fully qualified.

6 “(C) FORMAT.—The notice and informa-
7 tion provided to parents under this paragraph
8 shall be in an understandable and uniform for-
9 mat and, to the extent practicable, provided in
10 a language that the parents can understand.

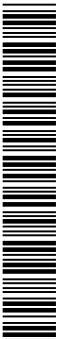
11 “(6) PLAN CONTENT.—A State shall include in
12 its plan under subsection (b) an assurance that it
13 has in effect a policy that meets the requirements of
14 this section.

15 “(i) PRIVACY.—Information collected under this sec-
16 tion shall be collected and disseminated in a manner that
17 protects the privacy of individuals.

18 “(j) SPECIAL RULE ON SCIENCE STANDARDS AND
19 ASSESSMENTS.—Notwithstanding subsections (b) and (h),
20 no State shall be required to meet the requirements under
21 this title relating to science standards until the beginning
22 of the 2005–2006 school year and science assessments
23 until the beginning of the 2007–2008 school year.

24 **“SEC. 1112. LOCAL EDUCATIONAL AGENCY PLANS.**

25 “(a) PLANS REQUIRED.—



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1 “(1) SUBGRANTS.—A local educational agency
2 may receive a subgrant under this part for any fiscal
3 year only if such agency has on file with the State
4 educational agency a plan, approved by the State
5 educational agency, that is coordinated with other
6 programs under this Act, the Individuals with Dis-
7 abilities Education Act, the Carl D. Perkins Voca-
8 tional and Technical Education Act of 1998, the
9 Head Start Act, and other Acts, as appropriate.

10 “(2) CONSOLIDATED APPLICATION.—The plan
11 may be submitted as part of a consolidated applica-
12 tion under section 8305.

13 “(b) PLAN PROVISIONS.—In order to help low achiev-
14 ing children achieve high standards, each local educational
15 agency plan shall include—

16 “(1) a description of additional high-quality
17 student assessments, if any, other than the assess-
18 ments described in the State plan under section
19 1111, that the local educational agency and schools
20 served under this part will use to—

21 “(A) determine the success of children
22 served under this part in meeting the State’s
23 student achievement standards and provide in-
24 formation to teachers, parents, and students on
25 the progress being made toward meeting the



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1 State student achievement standards described
2 in section 1111(b)(1)(D)(ii);

3 “(B) assist in diagnosis, teaching, and
4 learning in the classroom in ways that best en-
5 able low-achieving children served under this
6 title to meet State standards and do well in the
7 local curriculum;

8 “(C) determine what revisions are needed
9 to projects under this title so that such children
10 meet the State’s student achievement stand-
11 ards; and

12 “(2) at the local educational agency’s discre-
13 tion, a description of any other indicators that will
14 be used in addition to the assessments described in
15 paragraph (1) for the uses described in such para-
16 graph;

17 “(3) a description of the strategy the local edu-
18 cational agency will use to provide professional de-
19 velopment for teachers, and, if appropriate, pupil
20 services personnel, administrators, parents and other
21 staff, including local educational agency level staff in
22 accordance with section 1119A;

23 “(4) a description of how the local educational
24 agency will coordinate and integrate services pro-
25 vided under this part with other educational services



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1 at the local educational agency or individual school
2 level, such as—

3 “(A) Even Start, Head Start, Reading
4 First, Early Reading First, and other preschool
5 programs, including plans for the transition of
6 participants in such programs to local elemen-
7 tary school programs; and

8 “(B) services for children with limited
9 English proficiency or with disabilities, migra-
10 tory children served under part C, neglected or
11 delinquent youth, Indian children served under
12 part B of title III, homeless children, and immi-
13 grant children in order to increase program ef-
14 fectiveness, eliminate duplication, and reduce
15 fragmentation of the instructional program;

16 “(5) an assurance that the local educational
17 agency will participate, if selected, in the State Na-
18 tional Assessment of Educational Progress in 4th
19 and 8th grade reading and mathematics carried out
20 under section 411(b)(2) of the Education Statistics
21 Act of 1994, or in another assessment pursuant to
22 the State decision under section 7101(b)(1)(B)(ii);

23 “(6) a description of the poverty criteria that
24 will be used to select school attendance areas under
25 section 1113;



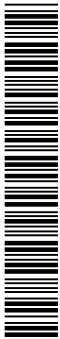
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1 “(7) a description of how teachers, in consulta-
2 tion with parents, administrators, and pupil services
3 personnel, in targeted assistance schools under sec-
4 tion 1115, will identify the eligible children most in
5 need of services under this part;

6 “(8) a general description of the nature of the
7 programs to be conducted by such agency’s schools
8 under sections 1114 and 1115 and, where appro-
9 priate, educational services outside such schools for
10 children living in local institutions for neglected or
11 delinquent children, for neglected and delinquent
12 children in community day school programs, and for
13 homeless children;

14 “(9) a description of how the local educational
15 agency will ensure that migratory children and for-
16 merly migratory children who are eligible to receive
17 services under this part are selected to receive such
18 services on the same basis as other children who are
19 selected to receive services under this part;

20 “(10) if appropriate, a description of how the
21 local educational agency will use funds under this
22 part to support preschool programs for children,
23 particularly children participating in Early Reading
24 First, or in a Head Start or Even Start program,
25 which services may be provided directly by the local



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1 educational agency or through a subcontract with
2 the local Head Start agency designated by the Sec-
3 retary of Health and Human Services under section
4 641 of the Head Start Act, agencies operating Even
5 Start programs, Early Reading First, or another
6 comparable public early childhood development pro-
7 gram.

8 “(11) a description of the actions the local edu-
9 cational agency will take to assist its low-performing
10 schools, including schools identified under section
11 1116 as in need of improvement;

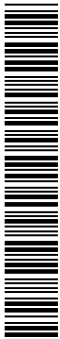
12 “(12) a description of the actions the local edu-
13 cational agency will take to implement school choice,
14 consistent with the requirements of section 1116;

15 “(13) a description how the local educational
16 agency will meet the requirements of section
17 1119(b)(1).

18 “(c) ASSURANCES.—

19 “(1) IN GENERAL.—Each local educational
20 agency plan shall provide assurances that the local
21 educational agency will—

22 “(A) inform eligible schools and parents of
23 schoolwide project authority and the ability of
24 such schools to consolidate funds from Federal,
25 State, and local sources;



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1 “(B) provide technical assistance and sup-
2 port to schoolwide programs;

3 “(C) work in consultation with schools as
4 the schools develop the schools’ plans pursuant
5 to section 1114 and assist schools as the
6 schools implement such plans or undertake ac-
7 tivities pursuant to section 1115 so that each
8 school can make adequate yearly progress to-
9 ward meeting the State student achievement
10 standards;

11 “(D) fulfill such agency’s school improve-
12 ment responsibilities under section 1116, in-
13 cluding taking corrective actions under section
14 1116(b)(6);

15 “(E) provide services to eligible children
16 attending private elementary and secondary
17 schools in accordance with section 1120, and
18 timely and meaningful consultation with private
19 school officials regarding such services;

20 “(F) take into account the experience of
21 model programs for the educationally disadvan-
22 taged, and the findings of relevant scientifically
23 based research indicating that services may be
24 most effective if focused on students in the ear-



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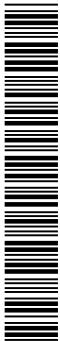
1 liest grades at schools that receive funds under
2 this part;

3 “(G) in the case of a local educational
4 agency that chooses to use funds under this
5 part to provide early childhood development
6 services to low-income children below the age of
7 compulsory school attendance, ensure that such
8 services comply with the performance standards
9 established under section 641A(a) of the Head
10 Start Act;

11 “(H) comply with the requirements of sec-
12 tion 1119 regarding the qualifications of teach-
13 ers and paraprofessionals;

14 “(I) inform eligible schools of the local
15 educational agency’s authority to obtain waivers
16 on the school’s behalf under title VIII of this
17 Act, and if the State is an Ed-Flex Partnership
18 State, to obtain waivers under the Education
19 Flexibility Partnership Act of 1999; and

20 “(J) coordinate and collaborate, to the ex-
21 tent feasible and necessary as determined by
22 the local educational agency, with other agen-
23 cies providing services to children, youth, and
24 families.



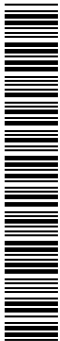
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1 “(2) SPECIAL RULE.—In carrying out subpara-
2 graph (G) of paragraph (1) the Secretary—

3 “(A) shall consult with the Secretary of
4 Health and Human Services on the implemen-
5 tation of such subparagraph and shall establish
6 procedures (taking into consideration existing
7 State and local laws, and local teacher con-
8 tracts) to assist local educational agencies to
9 comply with such subparagraph; and

10 “(B) upon publication, shall disseminate to
11 local educational agencies the Head Start per-
12 formance standards as in effect under section
13 641A(a) of the Head Start Act, and such agen-
14 cies affected by such subparagraph shall plan
15 for the implementation of such subparagraph
16 (taking into consideration existing State and
17 local laws, and local teacher contracts), includ-
18 ing pursuing the availability of other Federal,
19 State, and local funding sources to assist in
20 compliance with such subparagraph.

21 “(3) INAPPLICABILITY.—The provisions of this
22 subsection shall not apply to preschool programs
23 using the Even Start model or to Even Start pro-
24 grams which are expanded through the use of funds
25 under this part.



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1 “(d) PLAN DEVELOPMENT AND DURATION.—

2 “(1) CONSULTATION.—Each local educational
3 agency plan shall be developed in consultation with
4 teachers, administrators (including administrators of
5 programs described in other parts of this title), and
6 other appropriate school personnel, and with parents
7 of children in schools served under this part.

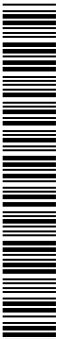
8 “(2) DURATION.—Each such plan shall be sub-
9 mitted for the first year for which this part is in ef-
10 fect following the date of the enactment of the No
11 Child Left Behind Act of 2001 and shall remain in
12 effect for the duration of the agency’s participation
13 under this part.

14 “(3) REVIEW.—Each local educational agency
15 shall periodically review, and as necessary, revise its
16 plan.

17 “(e) STATE APPROVAL.—

18 “(1) IN GENERAL.—Each local educational
19 agency plan shall be filed according to a schedule es-
20 tablished by the State educational agency.

21 “(2) APPROVAL.—The State educational agency
22 shall approve a local educational agency’s plan only
23 if the State educational agency determines that the
24 local educational agency’s plan—



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1 “(A) enables schools served under this part
2 to substantially help children served under this
3 part meet the standards expected of all children
4 described in section 1111(b)(1); and

5 “(B) meets the requirements of this sec-
6 tion.

7 “(f) PROGRAM RESPONSIBILITY.—The local edu-
8 cational agency plan shall reflect the shared responsibility
9 of schools, teachers, and the local educational agency in
10 making decisions regarding activities under sections 1114
11 and 1115.

12 “(g) PARENTAL NOTIFICATION AND CONSENT FOR
13 ENGLISH LANGUAGE INSTRUCTION.—

14 “(1) NOTIFICATION.—If a local educational
15 agency uses funds under this part to provide English
16 language instruction to limited English proficient
17 children, the agency shall inform a parent or the
18 parents of a child participating in an English lan-
19 guage instruction program for limited English pro-
20 ficient children assisted under this part of—

21 “(A) the reasons for the identification of
22 the child as being in need of English language
23 instruction;



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1 “(B) the child’s level of English pro-
2 ficiency, how such level was assessed, and the
3 status of the child’s academic achievement; and

4 “(C) how the English language instruction
5 program will specifically help the child acquire
6 English and meet age-appropriate standards for
7 grade promotion and graduation;

8 “(D) what the specific exit requirements
9 are for the program;

10 “(E) the expected rate of graduation from
11 the program into mainstream classes; and

12 “(F) the expected rate of graduation from
13 high school for the program if funds under this
14 part are used for children in secondary schools.

15 “(2) CONSENT.—

16 “(A) IN GENERAL.—A parent or the par-
17 ents of a limited English proficient child who is
18 identified for participation in an English lan-
19 guage instruction program for limited English
20 proficient children assisted under this part
21 shall—

22 “(i) sign a form consenting to the stu-
23 dent’s placement in such a program prior
24 to such time as the student is enrolled in
25 the program; and



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1 “(ii) select among methods of instruc-
2 tion, if more than 1 method is offered in
3 the program.

4 “(B) REMOVAL FROM PROGRAM UPON PA-
5 RENTAL REQUEST.—A parent or the parents of
6 a limited English proficient child who is partici-
7 pating in an English language instruction pro-
8 gram for limited English proficient children as-
9 sisted under this part shall have the right to
10 have their child immediately removed from the
11 program upon their request.

12 “(3) RECEIPT OF INFORMATION.—A parent or
13 the parents of a limited English proficient child who
14 is identified for participation in an English language
15 instruction program for limited English proficient
16 children assisted under this part shall receive, in a
17 manner and form understandable to the parent or
18 parents, the information required by this subsection.
19 At a minimum, the parent or parents shall receive—

20 “(A) timely information about English lan-
21 guage instruction programs for limited English
22 proficient children assisted under this part;

23 “(B) if a parent of a participating child so
24 desires, notice of opportunities for regular
25 meetings for the purpose of formulating and re-



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1 sponding to recommendations from such parent
2 or parents; and

3 “(C) procedural information for removing
4 a child from a program for limited English pro-
5 ficient children.

6 “(4) BASIS FOR ADMISSION OR EXCLUSION.—
7 Students shall not be admitted to, or excluded from,
8 any federally-assisted education program on the
9 basis of a surname or language-minority status.

10 **“SEC. 1113. ELIGIBLE SCHOOL ATTENDANCE AREAS.**

11 “(a) DETERMINATION.—

12 “(1) IN GENERAL.—A local educational agency
13 shall use funds received under this part only in eligi-
14 ble school attendance areas.

15 “(2) ELIGIBLE SCHOOL ATTENDANCE AREAS.—
16 For the purposes of this part—

17 “(A) the term ‘school attendance area’
18 means, in relation to a particular school, the
19 geographical area in which the children who are
20 normally served by that school reside; and

21 “(B) the term ‘eligible school attendance
22 area’ means a school attendance area in which
23 the percentage of children from low-income
24 families is at least as high as the percentage of



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1 children from low-income families in the local
2 educational agency as a whole.

3 “(3) LOCAL EDUCATIONAL AGENCY DISCRE-
4 TION.—

5 “(A) IN GENERAL.—Notwithstanding para-
6 graph (2), a local educational agency may—

7 “(i) designate as eligible any school
8 attendance area or school in which at least
9 35 percent of the children are from low-in-
10 come families;

11 “(ii) use funds received under this
12 part in a school that is not in an eligible
13 school attendance area, if the percentage
14 of children from low-income families en-
15 rolled in the school is equal to or greater
16 than the percentage of such children in a
17 participating school attendance area of
18 such agency;

19 “(iii) designate and serve a school at-
20 tendance area or school that is not eligible
21 under subsection (b), but that was eligible
22 and that was served in the preceding fiscal
23 year, but only for 1 additional fiscal year;
24 and



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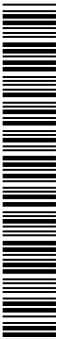
1 “(iv) elect not to serve an eligible
2 school attendance area or eligible school
3 that has a higher percentage of children
4 from low-income families if—

5 “(I) the school meets the com-
6 parability requirements of section
7 1120A(c);

8 “(II) the school is receiving sup-
9 plemental funds from other State or
10 local sources that are spent according
11 to the requirements of section 1114 or
12 1115; and

13 “(III) the funds expended from
14 such other sources equal or exceed the
15 amount that would be provided under
16 this part.

17 “(B) SPECIAL RULE.—Notwithstanding
18 subparagraph (A)(iv), the number of children
19 attending private elementary and secondary
20 schools who are to receive services, and the as-
21 sistance such children are to receive under this
22 part, shall be determined without regard to
23 whether the public school attendance area in
24 which such children reside is assisted under
25 subparagraph (A).



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1 “(b) RANKING ORDER.—If funds allocated in accord-
2 ance with subsection (f) are insufficient to serve all eligible
3 school attendance areas, a local educational agency—

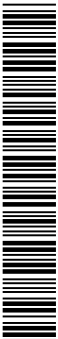
4 “(1) shall annually rank from highest to lowest
5 according to the percentage of children from low-in-
6 come families in each agency’s eligible school attend-
7 ance areas in the following order—

8 “(A) eligible school attendance areas in
9 which the concentration of children from low-in-
10 come families exceeds 75 percent; and

11 “(B) all remaining eligible school attend-
12 ance areas in which the concentration of chil-
13 dren from low-income families is 75 percent or
14 lower either by grade span or for the entire
15 local educational agency;

16 “(2) shall, within each category listed in para-
17 graph (1), serve schools in rank order from highest
18 to lowest according to the ranking assigned under
19 paragraph (1);

20 “(3) notwithstanding paragraph (2), may give
21 priority, within each such category and in rank order
22 from highest to lowest subject to paragraph (4), to
23 eligible school attendance areas that serve children
24 in elementary schools; and



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1 “(4) not serve a school described in paragraph
2 (1)(B) before serving a school described in para-
3 graph (1)(A).

4 “(c) LOW-INCOME MEASURES.—In determining the
5 number of children ages 5 through 17 who are from low-
6 income families, the local educational agency shall apply
7 the measures described in paragraphs (1) and (2) of this
8 subsection:

9 “(1) ALLOCATION TO PUBLIC SCHOOL ATTEND-
10 ANCE AREAS.—The local educational agency shall
11 use the same measure of poverty, which measure
12 shall be the number of children ages 5 through 17
13 in poverty counted in the most recent census data
14 approved by the Secretary, the number of children
15 eligible for free and reduced priced lunches under
16 the National School Lunch Act, the number of chil-
17 dren in families receiving assistance under the State
18 program funded under part A of title IV of the So-
19 cial Security Act, or the number of children eligible
20 to receive medical assistance under the Medicaid
21 program, or a composite of such indicators, with re-
22 spect to all school attendance areas in the local edu-
23 cational agency—

24 “(A) to identify eligible school attendance
25 areas;



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1 “(B) to determine the ranking of each
2 area; and

3 “(C) to determine allocations under sub-
4 section (f).

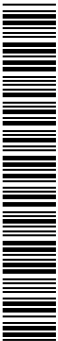
5 “(2) ALLOCATION FOR EQUITABLE SERVICE TO
6 PRIVATE SCHOOL STUDENTS.—

7 “(A) CALCULATION.—A local educational
8 agency shall have the final authority, consistent
9 with section 1120 to calculate the number of
10 private school children, ages 5 through 17, who
11 are low-income by—

12 “(i) using the same measure of low-in-
13 come used to count public school children;

14 “(ii) using the results of a survey
15 that, to the extent possible, protects the
16 identity of families of private school stu-
17 dents and allowing such survey results to
18 be extrapolated if complete actual data are
19 not available; or

20 “(iii) applying the low-income percent-
21 age of each participating public school at-
22 tendance area, determined pursuant to this
23 section, to the number of private school
24 children who reside in that attendance
25 area.



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1 “(B) COMPLAINT PROCESS.—Any dispute
2 regarding low-income data on private school
3 students shall be subject to the complaint proc-
4 ess authorized in section 8505.

5 “(d) EXCEPTION.—This section (other than sub-
6 sections (a)(3) and (f)) shall not apply to a local edu-
7 cational agency with a total enrollment of less than 1,500
8 children.

9 “(e) WAIVER FOR DESEGREGATION PLANS.—The
10 Secretary may approve a local educational agency’s writ-
11 ten request for a waiver of the requirements of subsections
12 (a) and (f), and permit such agency to treat as eligible,
13 and serve, any school that children attend under a deseg-
14 regation plan ordered by a State or court or approved by
15 the Secretary, or such a plan that the agency continues
16 to implement after it has expired, if—

17 “(1) the number of economically disadvantaged
18 children enrolled in the school is not less than 25
19 percent of the school’s total enrollment; and

20 “(2) the Secretary determines on the basis of a
21 written request from such agency and in accordance
22 with such criteria as the Secretary establishes, that
23 approval of that request would further the purposes
24 of this part.

25 “(f) ALLOCATIONS.—



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1 “(1) IN GENERAL.—A local educational agency
2 shall allocate funds received under this part to eligi-
3 ble school attendance areas or eligible schools, iden-
4 tified under subsection (b) in rank order on the
5 basis of the total number of children from low-in-
6 come families in each area or school.

7 “(2) SPECIAL RULE.—(A) Except as provided
8 in subparagraph (B), the per-pupil amount of funds
9 allocated to each school attendance area or school
10 under paragraph (1) shall be at least 125 percent of
11 the per-pupil amount of funds a local educational
12 agency received for that year under the poverty cri-
13 teria described by the local educational agency in the
14 plan submitted under section 1112, except that this
15 paragraph shall not apply to a local educational
16 agency that only serves schools in which the percent-
17 age of such children is 35 percent or greater.

18 “(B) A local educational agency may reduce the
19 amount of funds allocated under subparagraph (A)
20 for a school attendance area or school by the amount
21 of any supplemental State and local funds expended
22 in that school attendance area or school for pro-
23 grams that meet the requirements of section 1114 or
24 1115.



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1 “(3) RESERVATION.—A local educational agen-
2 cy shall reserve such funds as are necessary under
3 this part to provide services comparable to those
4 provided to children in schools funded under this
5 part to serve—

6 “(A) homeless children who do not attend
7 participating schools, including providing educa-
8 tionally related support services to children in
9 shelters;

10 “(B) children in local institutions for ne-
11 glected or delinquent children; and

12 “(C) if appropriate, neglected and delin-
13 quent children in community day school pro-
14 grams.

15 “(4) SCHOOL IMPROVEMENT RESERVATION.—
16 In addition to the funding a local educational agency
17 receives under section 1003(b), a local educational
18 agency may reserve such funds as are necessary
19 under this part to meet such agency’s school im-
20 provement responsibilities under section 1116, in-
21 cluding taking corrective actions under section
22 1116(b)(6).

23 “(5) FINANCIAL INCENTIVES AND REWARDS
24 RESERVATION.—A local educational agency may re-
25 serve such funds as are necessary under this part to



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1 provide financial incentives and rewards to teachers
2 who serve in schools eligible under subsection
3 (b)(1)(A) and identified for improvement under sec-
4 tion 1116(b)(1) for the purpose of attracting and re-
5 taining qualified and effective teachers.

6 **“SEC. 1114. SCHOOLWIDE PROGRAMS.**

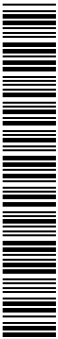
7 “(a) PURPOSE.—The purpose of a schoolwide pro-
8 gram under this section is—

9 “(1) to enable a local educational agency to
10 consolidate funds under this part with other Federal,
11 State, and local funds, to upgrade the entire edu-
12 cational program in a high poverty school; and

13 “(2) to help ensure that all children in such a
14 school meet challenging State standards for student
15 achievement, particularly those children who are
16 most at-risk of not meeting those standards.

17 “(b) USE OF FUNDS FOR SCHOOLWIDE PRO-
18 GRAMS.—

19 “(1) IN GENERAL.—A local educational agency
20 may consolidate funds under this part, together with
21 other Federal, State, and local funds, in order to up-
22 grade the entire educational program of a school
23 that serves an eligible school attendance area in
24 which not less than 25 percent of the children are
25 from low-income families, or not less than 25 per-



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1 cent of the children enrolled in the school are from
2 such families.

3 “(2) IDENTIFICATION OF STUDENTS NOT RE-
4 QUIRED.—

5 “(A) IN GENERAL.—No school partici-
6 pating in a schoolwide program shall be re-
7 quired to identify particular children under this
8 part as eligible to participate in a schoolwide
9 program or to provide supplemental services to
10 such children.

11 “(B) SUPPLEMENT FUNDS.—A school par-
12 ticipating in a schoolwide program shall use
13 funds available to carry out this section only to
14 supplement the amount of funds that would, in
15 the absence of funds under this part, be made
16 available from non-Federal sources for the
17 school, including funds needed to provide serv-
18 ices that are required by law for children with
19 disabilities and children with limited English
20 proficiency.

21 “(3) EXEMPTION FROM STATUTORY AND REGU-
22 LATORY REQUIREMENTS.—

23 “(A) EXEMPTION.—Except as provided in
24 subsection (c), the Secretary may, through pub-
25 lication of a notice in the Federal Register, ex-

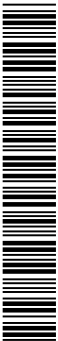


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1 empty schoolwide programs under this section
2 from statutory or regulatory provisions of any
3 other noncompetitive formula grant program
4 administered by the Secretary (other than for-
5 mula or discretionary grant programs under the
6 Individuals with Disabilities Education Act, ex-
7 cept as provided in section 613(a)(2)(D) of
8 such Act), or any discretionary grant program
9 administered by the Secretary, to support
10 schoolwide programs if the intent and purposes
11 of such other programs are met.

12 “(B) REQUIREMENTS.—A school that
13 chooses to use funds from such other programs
14 shall not be relieved of the requirements relat-
15 ing to health, safety, civil rights, student and
16 parental participation and involvement, services
17 to private school children, maintenance of ef-
18 fort, uses of Federal funds to supplement, not
19 supplant non-Federal funds, or the distribution
20 of funds to State or local educational agencies
21 that apply to the receipt of funds from such
22 programs.

23 “(C) RECORDS.—A school that consoli-
24 dates funds from different Federal programs
25 under this section shall not be required to



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1 maintain separate fiscal accounting records, by
2 program, that identify the specific activities
3 supported by those particular funds as long as
4 it maintains records that demonstrate that the
5 schoolwide program, considered as a whole ad-
6 dresses the intent and purposes of each of the
7 Federal programs that were consolidated to
8 support the schoolwide program.

9 “(4) PROFESSIONAL DEVELOPMENT.—Each
10 school receiving funds under this part for any fiscal
11 year shall devote sufficient resources to effectively
12 carry out the activities described in subsection
13 (c)(1)(D) in accordance with section 1119A for such
14 fiscal year, except that a school may enter into a
15 consortium with another school to carry out such ac-
16 tivities.

17 “(c) COMPONENTS OF A SCHOOLWIDE PROGRAM.—

18 “(1) IN GENERAL.—A schoolwide program shall
19 include the following components:

20 “(A) A comprehensive needs assessment of
21 the entire school (including taking into account
22 the needs of migratory children as defined in
23 section 1309(2)) that is based on information
24 which includes the performance of children in
25 relation to the State content standards and the



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1 State student achievement standards described
2 in section 1111(b)(1).

3 “(B) Schoolwide reform strategies that—

4 “(i) provide opportunities for all chil-
5 dren to meet the State’s proficient and ad-
6 vanced levels of student achievement de-
7 scribed in section 1111(b)(1)(D);

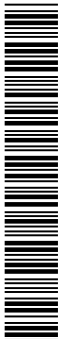
8 “(ii) use effective methods and in-
9 structional strategies that are based upon
10 scientifically based research that—

11 “(I) strengthen the core aca-
12 demic program in the school;

13 “(II) increase the amount and
14 quality of learning time, such as pro-
15 viding an extended school year and
16 before- and after-school and summer
17 programs and opportunities, and help
18 provide an enriched and accelerated
19 curriculum; and

20 “(III) include strategies for meet-
21 ing the educational needs of histori-
22 cally underserved populations;

23 “(iii)(I) address the needs of all chil-
24 dren in the school, but particularly the
25 needs of low-achieving children and those



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1 at risk of not meeting the State student
2 achievement standards who are members
3 of the target population of any program
4 that is included in the schoolwide program;
5 and

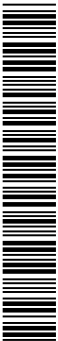
6 “(II) address how the school will de-
7 termine if such needs have been met; and

8 “(iv) are consistent with, and are de-
9 signed to implement, the State and local
10 improvement plans, if any.

11 “(C) Instruction by fully qualified (as de-
12 fined in section 8101) teachers.

13 “(D) In accordance with section 1119A
14 and subsection (b)(4), high quality and ongoing
15 professional development for teachers and para-
16 professionals, and, where appropriate, pupil
17 services personnel, parents, principals, and
18 other staff to enable all children in the school
19 to meet the State’s student achievement stand-
20 ards.

21 “(E) Strategies to attract quality teachers
22 to high need schools, such as differential pay
23 systems or performance based pay.



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1 “(F) Strategies to increase parental in-
2 volvement in accordance with section 1118,
3 such as family literary services.

4 “(G) Plans for assisting preschool children
5 in the transition from early childhood programs,
6 such as Head Start, Even Start, Early Reading
7 First, or a State-run preschool program, to
8 local elementary school programs.

9 “(H) Measures to include teachers in the
10 decisions regarding the use of assessments de-
11 scribed in section 1111(b)(4) in order to pro-
12 vide information on, and to improve, the per-
13 formance of individual students and the overall
14 instructional program.

15 “(I) Activities to ensure that students who
16 experience difficulty mastering the proficient or
17 advanced levels of performance standards re-
18 quired by section 1111(b) shall be provided with
19 effective, timely additional assistance which
20 shall include measures to ensure that students’
21 difficulties are identified on a timely basis and
22 to provide sufficient information on which to
23 base effective assistance.

24 “(2) PLAN.—Any eligible school that desires to
25 operate a schoolwide program shall first develop (or



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1 amend a plan for such a program that was in exist-
2 ence on the day before the date of the enactment of
3 the No Child Left Behind Act of 2001, a com-
4 prehensive plan for reforming the total instructional
5 program in the school that—

6 “(A) incorporates the components de-
7 scribed in paragraph (1);

8 “(B) describes how the school will use re-
9 sources under this part and from other sources
10 to implement those components; and

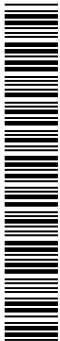
11 “(C) includes a list of State and local edu-
12 cational agency programs and other Federal
13 programs under subsection (b)(4) that will be
14 consolidated in the schoolwide program.

15 “(3) PLAN DEVELOPMENT.—The comprehen-
16 sive plan shall be—

17 “(A) developed during a 1-year period,
18 unless—

19 “(i) the local educational agency de-
20 termines that less time is needed to de-
21 velop and implement the schoolwide pro-
22 gram; or

23 “(ii) the school operated a schoolwide
24 program on the day preceding the date of
25 the enactment of the No Child Left Behind



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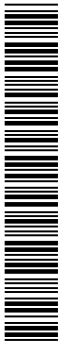
1 Act of 2001, in which case such school
2 may continue to operate such program, but
3 shall develop amendments to its existing
4 plan during the first year of assistance
5 under such Act to reflect the provisions of
6 this section;

7 “(B) developed with the involvement of the
8 community to be served and individuals who
9 will carry out such plan, including teachers,
10 principals, administrators (including adminis-
11 trators of programs described in other parts of
12 this title), if appropriate pupil services per-
13 sonnel, school staff and parents, and, if the
14 plan relates to a secondary school, students
15 from such school;

16 “(C) in effect for the duration of the
17 school’s participation under this part and re-
18 viewed and revised, as necessary, by the school;

19 “(D) available to the local educational
20 agency, parents, and the public, and the infor-
21 mation contained in such plan shall be provided
22 in a format, and to the extent practicable, in a
23 language that they can understand; and

24 “(E) if appropriate, developed in coordina-
25 tion with programs under Reading First, Early



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1 Reading First, Even Start, Carl D. Perkins Vo-
2 cational and Technical Education Act of 1998,
3 and the Head Start Act.

4 “(d) ACCOUNTABILITY.—A schoolwide program
5 under this section shall be subject to the school improve-
6 ment provisions of section 1116.

7 “(e) PREKINDERGARTEN PROGRAM.—A school that
8 is eligible for a schoolwide program under this section may
9 use funds made available under this title to establish or
10 enhance prekindergarten programs for 3-, 4-, and 5-year-
11 old children, such as Even Start programs or Early Read-
12 ing First programs.

13 **“SEC. 1115. TARGETED ASSISTANCE SCHOOLS.**

14 “(a) IN GENERAL.—In all schools selected to receive
15 funds under section 1113(f) that are ineligible for a
16 schoolwide program under section 1114, or that choose
17 not to operate such a schoolwide program, a local edu-
18 cational agency may use funds received under this part
19 only for programs that provide services to eligible children
20 under subsection (b) identified as having the greatest need
21 for special assistance.

22 “(b) ELIGIBLE CHILDREN.—

23 “(1) ELIGIBLE POPULATION.—(A) The eligible
24 population for services under this section is—



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1 “(i) children not older than age 21 who are
2 entitled to a free public education through
3 grade 12; and

4 “(ii) children who are not yet at a grade
5 level where the local educational agency pro-
6 vides a free public education.

7 “(B) From the population described in subpara-
8 graph (A), eligible children are children identified by
9 the school as failing, or most at risk of failing, to
10 meet the State’s challenging student achievement
11 standards on the basis of assessments under this
12 part, and, as appropriate, on the basis of multiple,
13 educationally related, objective criteria established
14 by the local educational agency and supplemented by
15 the school, except that children from preschool
16 through grade 2 may be selected solely on the basis
17 of such criteria as teacher judgment, interviews with
18 parents, and other appropriate measures.

19 “(2) CHILDREN INCLUDED.—(A)(i) Children
20 with disabilities, migrant children, and children with
21 limited English proficiency are eligible for services
22 under this part on the same basis as other children.

23 “(ii) Funds received under this part may not be
24 used to provide services that are otherwise required
25 by law to be made available to such children but



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1 may be used to coordinate or supplement such serv-
2 ices.

3 “(B) A child who, at any time in the 2 years
4 preceding the year for which the determination is
5 made, participated in a Head Start, Even Start pro-
6 gram, Early Reading First, or in preschool services
7 under this title, is eligible for services under this
8 part.

9 “(C)(i) A child who, at any time in the 2 years
10 preceding the year for which the determination is
11 made, received services under part C is eligible for
12 services under this part.

13 “(ii) A child in a local institution for neglected
14 or delinquent children or attending a community day
15 program for such children is eligible for services
16 under this part.

17 “(D) A child who is homeless and attending any
18 school in the local educational agency is eligible for
19 services under this part.

20 “(c) COMPONENTS OF A TARGETED ASSISTANCE
21 SCHOOL PROGRAM.—

22 “(1) IN GENERAL.—To assist targeted assist-
23 ance schools and local educational agencies to meet
24 their responsibility to provide for all their students
25 served under this title the opportunity to meet the



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1 State's challenging student achievement standards in
2 subjects as determined by the State, each targeted
3 assistance program under this section shall—

4 “(A) use such program's resources under
5 this part to help participating children meet
6 such State's challenging student achievement
7 standards expected for all children;

8 “(B) ensure that planning for students
9 served under this part is incorporated into ex-
10 isting school planning;

11 “(C) use effective methods and instruc-
12 tional strategies that are based upon scientif-
13 ically based research that strengthens the core
14 academic program of the school and that—

15 “(i) give primary consideration to pro-
16 viding extended learning time such as an
17 extended school year, before- and after-
18 school, and summer programs and oppor-
19 tunities;

20 “(ii) help provide an accelerated, high-
21 quality curriculum, including applied learn-
22 ing; and

23 “(iii) minimize removing children
24 from the regular classroom during regular



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1 school hours for instruction provided under
2 this part;

3 “(D) coordinate with and support the reg-
4 ular education program, which may include
5 services to assist preschool children in the tran-
6 sition from early childhood programs or Early
7 Reading First programs to elementary school
8 programs;

9 “(E) provide instruction by fully qualified
10 teachers as defined in section 8101;

11 “(F) in accordance with subsection (e)(3)
12 and section 1119A, provide opportunities for
13 professional development with resources pro-
14 vided under this part, and, to the extent prac-
15 ticable, from other sources, for teachers, prin-
16 cipals, and administrators and other school
17 staff, including, if appropriate, pupil services
18 personnel, who work with participating children
19 in programs under this section or in the regular
20 education program; and

21 “(G) provide strategies to increase paren-
22 tal involvement in accordance with section
23 1118, such as family literacy services.

24 “(2) REQUIREMENTS.—Each school conducting
25 a program under this section shall assist partici-



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1 pating children selected in accordance with sub-
2 section (b) to meet the State's proficient and ad-
3 vanced levels of achievement by—

4 “(A) the coordination of resources provided
5 under this part with other resources; and

6 “(B) reviewing, on an ongoing basis, the
7 progress of participating children and revising
8 the targeted assistance program, if necessary,
9 to provide additional assistance to enable such
10 children to meet the State's challenging student
11 achievement standards, such as an extended
12 school year, before- and after-school, and sum-
13 mer programs and opportunities, training for
14 teachers regarding how to identify students that
15 require additional assistance, and training for
16 teachers regarding how to implement student
17 achievement standards in the classroom.

18 “(d) INTEGRATION OF PROFESSIONAL DEVELOP-
19 MENT.—To promote the integration of staff supported
20 with funds under this part, public school personnel who
21 are paid with funds received under this part may partici-
22 pate in general professional development and school plan-
23 ning activities.

24 “(e) SPECIAL RULES.—



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1 “(1) SIMULTANEOUS SERVICE.—Nothing in this
2 section shall be construed to prohibit a school from
3 serving students served under this section simulta-
4 neously with students with similar educational
5 needs, in the same educational settings where appro-
6 priate.

7 “(2) COMPREHENSIVE SERVICES.—If health,
8 nutrition, and other social services are not otherwise
9 available to eligible children in a targeted assistance
10 school and such school, if appropriate, has engaged
11 in a comprehensive needs assessment and established
12 a collaborative partnership with local service pro-
13 viders, and if funds are not reasonably available
14 from other public or private sources to provide such
15 services, then a portion of the funds provided under
16 this part may be used as a last resort to provide
17 such services, including—

18 “(A) the provision of basic medical equip-
19 ment, such as eyeglasses and hearing aids; and

20 “(B) professional development necessary to
21 assist teachers, pupil services personnel, other
22 staff, and parents in identifying and meeting
23 the comprehensive needs of eligible children.

24 “(3) PROFESSIONAL DEVELOPMENT.—Each
25 school receiving funds under this part for any fiscal



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1 year shall devote sufficient resources to carry out ef-
2 fectively the professional development activities de-
3 scribed in subparagraph (F) of subsection (c)(1) in
4 accordance with section 1119A for such fiscal year,
5 except that a school may enter into a consortium
6 with another school to carry out such activities.

7 **“SEC. 1115A. SCHOOL CHOICE.**

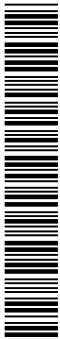
8 “(a) CHOICE PROGRAMS.—A local educational agen-
9 cy may use funds under this part, in combination with
10 State, local, and private funds, to develop and implement
11 public school choice programs, for children eligible for as-
12 sistance under this part, which permit parents to select
13 the public school that their child will attend.

14 “(b) CHOICE PLAN.—A local educational agency that
15 chooses to implement a public school choice program shall
16 first develop a plan that includes assurances that—

17 “(1) all eligible students across grade levels
18 served under this part will have equal access to the
19 program;

20 “(2) describe how the school will use resources
21 under this part and from other sources to implement
22 the plan;

23 “(3) the plan will be developed with the involve-
24 ment of parents and others in the community to be
25 served and individuals who will carry out the plan,



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1 including administrators, teachers, principals, and
2 other staff;

3 “(4) parents of eligible students in the local
4 educational agency will be given prompt notice of the
5 existence of the public school choice program and its
6 availability to them, and a clear explanation of how
7 the program will operate;

8 “(5) the program will include charter schools
9 and any other public school and shall not include a
10 school that is or has been identified as a school in
11 school improvement or is or has been in corrective
12 action for the past 2 consecutive years;

13 “(6) transportation services or the costs of
14 transportation may be provided by the local edu-
15 cational agency with funds under this part; and

16 “(7) such local educational agency will comply
17 with the other requirements of this part.

18 **“SEC. 1116. ASSESSMENT AND LOCAL EDUCATIONAL AGEN-**
19 **CY AND SCHOOL IMPROVEMENT.**

20 “(a) LOCAL REVIEW.—Each local educational agency
21 receiving funds under this part shall—

22 “(1) use the State assessments described in the
23 State plan;

24 “(2) use any additional measures or indicators
25 described in the local educational agency’s plan to



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1 review annually the progress of each school served
2 under this part to determine whether the school is
3 meeting, or making adequate yearly progress as de-
4 fined in section 1111(b)(2)(B) toward enabling its
5 students to meet the State's student achievement
6 standards described in the State plan;

7 “(3) publicize and disseminate to teachers and
8 other staff, parents, students, and the community,
9 the results of the annual review under paragraph
10 (2);

11 “(4) review the effectiveness of the actions and
12 activities the schools are carrying out under this
13 part with respect to parental involvement assisted
14 under this Act.

15 “(b) SCHOOL IMPROVEMENT.—

16 “(1) IN GENERAL.—

17 “(A) IDENTIFICATION.—A local edu-
18 cational agency shall identify for school im-
19 provement any elementary or secondary school
20 served under this part that—

21 “(i) fails, for any year, to make ade-
22 quate yearly progress as defined in the
23 State's plan under section 1111(b)(2); or

24 “(ii) was in school improvement status
25 under this section immediately before the



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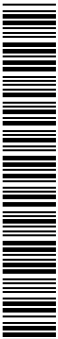
1 effective date of the No Child Left Behind
2 Act of 2001.

3 “(B) APPLICATION.—Paragraph (1) does
4 not apply to a school if almost every student in
5 the school is meeting the State’s advanced level
6 of performance.

7 “(C) REVIEW.—To determine if an ele-
8 mentary school or a secondary school that is
9 conducting a targeted assistance program under
10 section 1115 should be identified for school im-
11 provement under this subsection, a local edu-
12 cational agency may choose to review the
13 progress of only the students in the school who
14 are served, or are eligible for services, under
15 this part.

16 “(2) OPPORTUNITY TO REVIEW AND PRESENT
17 EVIDENCE; TIME LIMIT.—

18 “(A) Before identifying an elementary
19 school or a secondary school for school improve-
20 ment under paragraph (1), for corrective action
21 under section 1116(b)(6), or for restructuring
22 under section 1116(b)(7), the local educational
23 agency shall provide the school with an oppor-
24 tunity to review the school-level data, including



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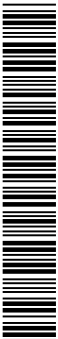
1 assessment data, on which the proposed identi-
2 fication is based.

3 “(B) EVIDENCE.—If the principal of a
4 school proposed for identification under para-
5 graph (1), (6), or (7) believes that the proposed
6 identification is in error for statistical or other
7 substantive reasons, the principal may provide
8 supporting evidence to the local educational
9 agency, which shall consider that evidence be-
10 fore making a final determination.

11 “(C) FINAL DETERMINATION.—Not later
12 than 30 days after a local educational agency
13 makes an initial determination concerning iden-
14 tifying a school under paragraph (1), (6), or
15 (7), the local educational agency shall make
16 public a final determination on the status of the
17 school.

18 “(3) SCHOOL PLAN.—

19 “(A) REVISED PLAN.—Each school identi-
20 fied under paragraph (1) for school improve-
21 ment shall, not later than 3 months after being
22 so identified, develop or revise a school plan, in
23 consultation with parents, school staff, the local
24 educational agency serving the school, the local
25 school board, and other outside experts, for ap-



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1 proval by such local educational agency. The
2 school plan shall cover a 2-year period and—

3 “(i) incorporate scientifically based re-
4 search strategies that strengthen the core
5 academic subjects in the school and ad-
6 dress the specific academic issues that
7 caused the school to be identified for
8 school improvement;

9 “(ii) adopt policies and practices con-
10 cerning the school’s core academic subjects
11 that have the greatest likelihood of ensur-
12 ing that all groups of students specified in
13 section 1111(b)(2)(C)(iii)(I) and (II) and
14 enrolled in the school will meet the State’s
15 proficient level of achievement on the State
16 assessment described in section 1111(b)(4)
17 not later than 10 years after the date of
18 enactment of the No Child Left Behind
19 Act of 2001;

20 “(iii) provide an assurance that the
21 school shall reserve not less than 10 per-
22 cent of the funds made available to the
23 school under this part for each fiscal year
24 that the school is in school improvement
25 status, for the purpose of providing to the



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1 school's teachers and principal high-quality
2 professional development that—

3 “(I) directly addresses the aca-
4 demic performance problem that
5 caused the school to be identified for
6 school improvement; and

7 “(II) meets the requirements for
8 professional development activities
9 under section 1119A;

10 “(iv) specify how the funds described
11 in clause (iii) will be used to remove the
12 school from school improvement status;

13 “(v) establish specific annual, measur-
14 able goals for continuous and significant
15 progress by each group of students speci-
16 fied in section 1111(b)(2)(C)(iii)(I) and
17 (II) and enrolled in the school that will en-
18 sure that all such groups of students shall
19 meet the State's proficient level of achieve-
20 ment on the State assessment described in
21 section 1111(b)(4) not later than 10 years
22 after the date of enactment of the No
23 Child Left Behind Act of 2001;

24 “(vi) identify how the school will pro-
25 vide written notification about the identi-



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1 fication to parents of each student enrolled
2 in such school, in a format and, to the ex-
3 tent practicable, in a language the parents
4 can understand; and

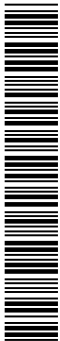
5 “(vii) specify the responsibilities of
6 the school, the local educational agency,
7 and the State educational agency serving
8 the school under the plan, including the
9 technical assistance to be provided by the
10 local educational agency under paragraph
11 (4).

12 “(B) CONDITIONAL APPROVAL.—The local
13 educational agency may condition approval of a
14 school plan on inclusion of 1 or more of the cor-
15 rective actions specified in paragraph (6)(D)(ii).

16 “(C) PLAN IMPLEMENTATION.—A school
17 shall implement the school plan (including a re-
18 vised plan) expeditiously, but not later than the
19 beginning of the school year following the
20 school year in which the school was identified
21 for school improvement.

22 “(D) LOCAL EDUCATIONAL AGENCY AP-
23 PROVAL.—The local educational agency shall—

24 “(i) establish a peer-review process to
25 assist with review of a school plan pre-



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1 pared by a school served by the local edu-
2 cational agency; and

3 “(ii) promptly review the school plan,
4 work with the school as necessary, and ap-
5 prove the school plan if it meets the re-
6 quirements of this paragraph.

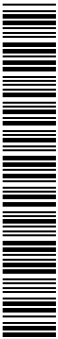
7 “(4) TECHNICAL ASSISTANCE.—

8 “(A) IN GENERAL.—For each school iden-
9 tified for school improvement under paragraph
10 (1), the local educational agency serving the
11 school shall provide technical assistance with
12 funds allocated under section 1003 as the
13 school develops and implements the school plan.

14 “(B) SPECIFIC ASSISTANCE.—Such tech-
15 nical assistance—

16 “(i) shall include assistance in ana-
17 lyzing data from the assessments required
18 under section 1111(b)(4), and other sam-
19 ples of student work, to identify and ad-
20 dress instructional problems and solutions;

21 “(ii) shall include assistance in identi-
22 fying and implementing instructional strat-
23 egies and methods that are tied to scientif-
24 ically based research and that have proven
25 effective in addressing the specific instruc-



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1 tional issues that caused the school to be
2 identified for school improvement;

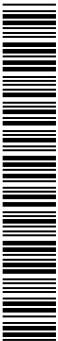
3 “(iii) shall include assistance in ana-
4 lyzing and revising the school’s budget so
5 that the school resources are more effec-
6 tively allocated for the activities most likely
7 to increase student performance and to re-
8 move the school from school improvement
9 status; and

10 “(iv) may be provided—

11 “(I) by the local educational
12 agency, through mechanisms author-
13 ized under section 1117; or

14 “(II) by the State educational
15 agency, an institution of higher edu-
16 cation (in full compliance with all the
17 reporting provisions of title II of the
18 Higher Education Act of 1965), a pri-
19 vate not-for-profit organization or for-
20 profit organization, an educational
21 service agency, or another entity with
22 experience in helping schools improve
23 performance.

24 “(C) SCIENTIFICALLY BASED RE-
25 SEARCH.—Technical assistance provided under



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1 this section by a local educational agency or an
2 entity approved by that agency shall be based
3 on scientifically based research.

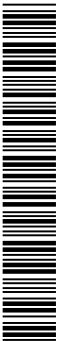
4 “(5) NOTIFICATION TO PARENTS.—A local edu-
5 cational agency shall promptly provide parents (in a
6 format and, to the extent practicable, in a language
7 they can understand) of each student in an elemen-
8 tary school or a secondary school identified for
9 school improvement—

10 “(A) an explanation of what the school im-
11 provement identification means, and how the
12 school identified for school improvement com-
13 pares in terms of academic achievement to
14 other elementary schools or secondary schools
15 served by the local educational agency and the
16 State educational agency involved;

17 “(B) the reasons for the identification;

18 “(C) an explanation of what the school
19 identified for school improvement is doing to
20 address the problem of low achievement;

21 “(D) an explanation of what the local edu-
22 cational agency or State educational agency is
23 doing to help the school address the achieve-
24 ment problem; and



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1 “(E) an explanation of how parents de-
2 scribed in this paragraph can become involved
3 in addressing the academic issues that caused
4 the school to be identified for school improve-
5 ment.

6 “(6) CORRECTIVE ACTION.—

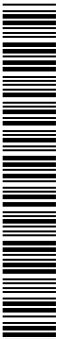
7 “(A) IN GENERAL.—In this subsection, the
8 term ‘corrective action’ means action, consistent
9 with State law, that—

10 “(i) substantially and directly re-
11 sponds to—

12 “(I) the consistent academic fail-
13 ure of a school that caused the local
14 educational agency to take such ac-
15 tion; and

16 “(II) any underlying staffing,
17 curriculum, or other problem in the
18 school; and

19 “(ii) is designed to increase substan-
20 tially the likelihood that students enrolled
21 in the school identified for corrective action
22 will perform at the State’s proficient and
23 advanced levels of achievement on the
24 State assessment described in section
25 1111(b)(4).



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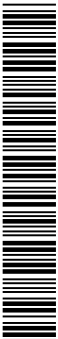
1 “(B) SYSTEM.—In order to help students
2 served under this part meet challenging State
3 standards, each local educational agency shall
4 implement a system of corrective action in ac-
5 cordance with subparagraphs (C) through (F)
6 and paragraphs (7) through (9).

7 “(C) ROLE OF LOCAL EDUCATIONAL AGEN-
8 CY.—The local educational agency—

9 “(i) may identify for corrective action
10 and take corrective action with respect to
11 any school identified as in need of improve-
12 ment under paragraph (1);

13 “(ii) after providing technical assist-
14 ance under paragraph (4), shall identify
15 for corrective action and take corrective ac-
16 tion with respect to any school served by
17 the local educational agency under this
18 part that—

19 “(I) fails to make adequate year-
20 ly progress, as defined by the State
21 under section 1111(b)(2), at the end
22 of the first school year after the
23 school year in which the school was
24 identified under paragraph (1); or



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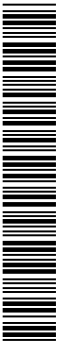
1 “(II) was in school-improvement
2 status for 2 years or in corrective-ac-
3 tion status under this subsection im-
4 mediately before the effective date of
5 the No Child Left Behind Act of
6 2001;

7 “(iii) shall continue to provide tech-
8 nical assistance while instituting any cor-
9 rective action under clause (i) or (ii); and

10 “(iv) shall, in any case described in
11 clause (ii), promptly notify parents of the
12 option to transfer their child to another
13 public school under subparagraph (D)(i).

14 “(D) REQUIREMENTS.—In the case of a
15 school described in subparagraph (C)(ii), the
16 local educational agency shall both—

17 “(i) provide all students enrolled in
18 the school with the option to transfer to
19 another public school within the local edu-
20 cational agency, including a public charter
21 school, that has not been identified for
22 school improvement under paragraph (1),
23 unless such an option is prohibited by
24 State law; and



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1 “(ii) take at least 1 of the following
2 corrective actions:

3 “(I) Replace the school staff
4 which are relevant to the failure to
5 make adequate yearly progress.

6 “(II) Institute and fully imple-
7 ment a new curriculum, including pro-
8 viding appropriate professional devel-
9 opment for all relevant staff, that is
10 based on scientifically based research
11 and offers substantial promise of im-
12 proving educational performance for
13 low-performing students.

14 “(E) DELAY.—A local educational agency
15 may delay, for a period not to exceed 1 year,
16 implementation of corrective action only if the
17 school’s failure to make adequate yearly
18 progress was justified due to exceptional or un-
19 controllable circumstances, such as a natural
20 disaster or a precipitous and unforeseen decline
21 in the financial resources of the local edu-
22 cational agency or school.

23 “(F) PUBLICATION AND DISSEMINA-
24 TION.—The local educational agency shall pub-
25 lish and disseminate information regarding any



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1 corrective action the local educational agency
2 takes under this paragraph at a school—

3 “(i) to the public and to the parents
4 of each student enrolled in the school sub-
5 ject to corrective action;

6 “(ii) in a format and, to the extent
7 practicable, in a language that the parents
8 can understand; and

9 “(iii) through such means as the
10 Internet, the media, and public agencies.

11 “(7) RESTRUCTURING.—

12 “(A) FAILURE TO MAKE ADEQUATE YEAR-
13 LY PROGRESS.—If—

14 “(i) after 1 additional year, a school
15 subject to corrective action under para-
16 graph (6) continues to fail to make ade-
17 quate yearly progress and students in the
18 school who are from economically dis-
19 advantaged families are not making meas-
20 urable progress in the subjects included in
21 the State’s definition of adequate yearly
22 progress; or

23 “(ii) for 2 additional years a school
24 subject to corrective action under para-
25 graph (6) fails to make adequate yearly



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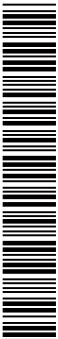
1 progress, the local educational agency
2 shall—

3 “(I) provide all students enrolled
4 in the school with the option to trans-
5 fer to another public school within the
6 local educational agency, including a
7 public charter school, that has not
8 been identified for school improvement
9 under paragraph (1), unless prohib-
10 ited by State law;

11 “(II) make funds available to the
12 economically disadvantaged child’s
13 parents to place the child in a private
14 school or to obtain supplementary
15 educational services, in accordance
16 with subsection (d); and

17 “(III) prepare a plan and make
18 necessary arrangements to carry out
19 subparagraph (B).

20 “(B) ALTERNATIVE GOVERNANCE.—Not
21 later than the beginning of the school year fol-
22 lowing the year in which the local educational
23 agency implements subparagraph (A), the local
24 educational agency shall implement 1 of the fol-



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1 lowing alternative governance arrangements for
2 the school:

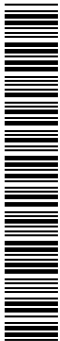
3 “(i) Reopening the school as a public
4 charter school.

5 “(ii) Replacing all or most of the
6 school staff.

7 “(iii) With the approval of a majority
8 of the teachers at the school and a major-
9 ity of parents of children enrolled at the
10 school, operation of the school by another
11 entity, such as a private management com-
12 pany.

13 “(iv) Turning the operation of the
14 school over to the State, if permitted under
15 State law and agreed to by the State.

16 “(C) AVAILABLE RESULTS.—The State
17 educational agency shall ensure that, for any
18 school year in which a school is subject to cor-
19 rective action under paragraph (6)(C)(ii), and
20 for any school and school year described in sub-
21 paragraph (A) or (B) of this paragraph, the re-
22 sults of State assessments for that school are
23 available to the local educational agency by the
24 end of the school year in which the assessments
25 are administered.



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1 “(D) PROMPT NOTICE.—The local edu-
2 cational agency shall provide prompt notice to
3 teachers and parents whenever subparagraph
4 (A) or (B) applies, shall provide them adequate
5 opportunity to comment before taking any ac-
6 tion under those paragraphs and to participate
7 in developing any plan under subparagraph
8 (A)(iii), and shall provide parents an expla-
9 nation of the options under subparagraph (A)(i)
10 and (ii).

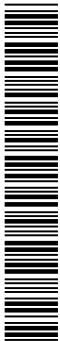
11 “(8) TRANSPORTATION.—In any case described
12 in paragraph (6)(D)(i), (7)(A)(i)(I), and
13 (7)(A)(ii)(I) the local educational agency—

14 “(A) shall provide, or shall pay for the pro-
15 vision of, transportation for the student to the
16 school the child attends; and

17 “(B) may use not more than 15 percent of
18 its allocation under this part for that purpose.

19 “(9) DURATION.—If any school identified for
20 reconstitution under paragraph (7)—

21 “(A) makes adequate yearly progress for 2
22 consecutive years, the local educational agency
23 need no longer subject it to corrective action or
24 identify it as in need of improvement; or



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1 “(B) fails to make adequate yearly
2 progress, but children from low-income families
3 in the school make measurable educational
4 progress for 1 year, the local educational agen-
5 cy shall place or continue as appropriate the
6 school in corrective action under paragraph (6).

7 “(10) STATE RESPONSIBILITIES.—The State
8 shall—

9 “(A) make technical assistance under sec-
10 tion 1117 available to all schools identified for
11 school improvement and corrective action under
12 this subsection, to the extent possible with
13 funds reserved under section 1003; and

14 “(B) if it determines that a local edu-
15 cational agency has failed to carry out its re-
16 sponsibilities under this subsection, take such
17 corrective actions as the State finds appropriate
18 and in compliance with State law.

19 “(c) STATE REVIEW AND LOCAL EDUCATIONAL
20 AGENCY IMPROVEMENT.—

21 “(1) IN GENERAL.—A State shall—

22 “(A) annually review the progress of each
23 local educational agency receiving funds under
24 this part to determine whether schools receiving
25 assistance under this part are making adequate



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1 yearly progress as defined in section 1111(b)(2)
2 toward meeting the State's student achievement
3 standards; and

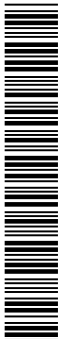
4 “(B) publicize and disseminate to local
5 educational agencies, teachers and other staff,
6 parents, students, and the community the re-
7 sults of the State review consistent with section
8 1111, including statistically sound
9 disaggregated results, as required by section
10 1111(b)(2).

11 “(2) IDENTIFICATION OF LOCAL EDUCATIONAL
12 AGENCY FOR IMPROVEMENT.—A State shall identify
13 for improvement any local educational agency that—

14 “(A) for 2 consecutive years failed to make
15 adequate yearly progress as defined in the
16 State's plan under section 1111(b)(2); or

17 “(B) was in improvement status under this
18 section as this section was in effect on the day
19 preceding the date of the enactment of the No
20 Child Left Behind Act of 2001.

21 “(3) TRANSITION.—The 2-year period described
22 in paragraph (2)(A) shall include any continuous pe-
23 riod of time immediately preceding the date of the
24 enactment of the No Child Left Behind Act of 2001,
25 during which a local educational agency did not



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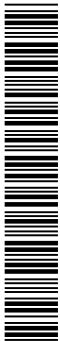
1 make adequate yearly progress as defined in the
2 State's plan, as such plan was in effect on the day
3 preceding the date of such enactment.

4 “(4) TARGETED ASSISTANCE SCHOOLS.—For
5 purposes of targeted assistance schools in a local
6 educational agency, a State educational agency may
7 choose to review the progress of only the students in
8 such schools who are served under this part.

9 “(5) OPPORTUNITY TO REVIEW AND PRESENT
10 EVIDENCE.—

11 “(A) REVIEW.—Before identifying a local
12 educational agency for improvement under
13 paragraph (2), a State educational agency shall
14 provide the local educational agency with an op-
15 portunity to review the local educational agency
16 data, including assessment data, on which that
17 proposed identification is based.

18 “(B) SUPPORTING EVIDENCE.—If the local
19 educational agency believes that the proposed
20 identification is in error for statistical or other
21 substantive reasons, it may provide supporting
22 evidence to the State educational agency, which
23 such agency shall consider before making a
24 final determination.



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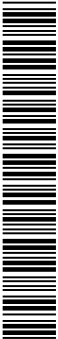
1 “(6) NOTIFICATION TO PARENTS.—The State
2 educational agency shall promptly notify parents in
3 a format, and to the extent practicable in a language
4 they can understand, of each student enrolled in a
5 school in a local educational agency identified for
6 improvement, of the reasons for such agency’s iden-
7 tification and how parents can participate in upgrad-
8 ing the quality of the local educational agency.

9 “(7) LOCAL EDUCATIONAL AGENCY REVI-
10 SIONS.—

11 “(A) PLAN.—Each local educational agen-
12 cy identified under paragraph (2) shall, not
13 later than 3 months after being so identified,
14 develop or revise a local educational agency
15 plan, in consultation with parents, school staff,
16 and others. Such plan shall—

17 “(i) incorporate scientifically based re-
18 search strategies that strengthen the core
19 academic program in the local educational
20 agency;

21 “(ii) identify specific goals and objec-
22 tives the local educational agency will un-
23 dertake to make adequate yearly progress
24 and which—



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1 “(I) have the greatest likelihood
2 of improving the performance of par-
3 ticipating children in meeting the
4 State’s student achievement stand-
5 ards;

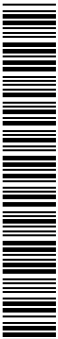
6 “(II) address the professional de-
7 velopment needs of staff; and

8 “(III) include specific measurable
9 achievement goals and targets for
10 each of the groups of students identi-
11 fied in the disaggregated data pursu-
12 ant to section 1111(b)(2)(C)(iii)(I)
13 and (II);

14 “(iii) identify how the local edu-
15 cational agency will provide written notifi-
16 cation to parents in a format, and to the
17 extent practicable in a language, that they
18 can understand, pursuant to paragraph
19 (6); and

20 “(iv) specify the responsibilities of the
21 State educational agency and the local edu-
22 cational agency under the plan.

23 “(B) IMPLEMENTATION.—The local edu-
24 cational agency shall implement its plan or re-
25 vised plan expeditiously, but not later than the



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1 beginning of the school year after which the
2 school has been identified for improvement.

3 “(8) STATE RESPONSIBILITY.—

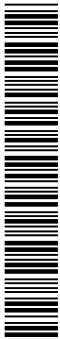
4 “(A) IN GENERAL.—For each local edu-
5 cational agency identified under paragraph (2),
6 the State shall provide technical or other assist-
7 ance, if requested, as authorized under section
8 1117, to better enable the local educational
9 agency—

10 “(i) to develop and implement its re-
11 vised plan as approved by the State edu-
12 cational agency consistent with the require-
13 ments of this section; and

14 “(ii) to work with schools needing im-
15 provement.

16 “(B) TECHNICAL ASSISTANCE.—Technical
17 assistance provided under this section by the
18 State educational agency or an entity author-
19 ized by such agency shall be based upon sci-
20 entifically based research.

21 “(9) CORRECTIVE ACTION.—In order to help
22 students served under this part meet challenging
23 State standards, each State shall implement a sys-
24 tem of corrective action in accordance with the fol-
25 lowing:



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1 “(A) IN GENERAL.—After providing tech-
2 nical assistance under paragraph (8) and sub-
3 ject to subparagraph (D), the State—

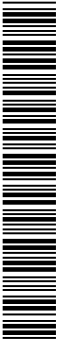
4 “(i) may take corrective action at any
5 time with respect to a local educational
6 agency that has been identified under
7 paragraph (2);

8 “(ii) shall take corrective action with
9 respect to any local educational agency
10 that fails to make adequate yearly
11 progress, as defined by the State, after the
12 end of the second year following its identi-
13 fication under paragraph (2); and

14 “(iii) shall continue to provide tech-
15 nical assistance while instituting any cor-
16 rective action under clause (i) or (ii).

17 “(B) DEFINITION.—As used in this para-
18 graph, the term ‘corrective action’ means ac-
19 tion, consistent with State law, that—

20 “(i) substantially and directly re-
21 sponds to the consistent academic failure
22 that caused the State to take such action
23 and to any underlying staffing, curricular,
24 or other problems in the school; and



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1 “(ii) is designed to meet the goal of
2 having all students served under this part
3 perform at the proficient and advanced
4 performance levels.

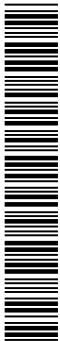
5 “(C) CERTAIN LOCAL EDUCATIONAL AGEN-
6 CIES.—In the case of a local educational agency
7 described in this paragraph, the State edu-
8 cational agency shall take not less than 1 of the
9 following corrective actions:

10 “(i) Withhold funds from the local
11 educational agency.

12 “(ii) Replace the school district per-
13 sonnel who are relevant to the failure to
14 make adequate year progress.

15 “(iii) Remove particular schools from
16 the jurisdiction of the local educational
17 agency and establish alternative arrange-
18 ments for public governance and super-
19 vision of such schools.

20 “(iv) Appoint, through the State edu-
21 cational agency, a receiver or trustee to ad-
22 minister the affairs of the local educational
23 agency in place of the superintendent and
24 school board.



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1 “(v) Abolish or restructure the local
2 educational agency.

3 “(vi) Authorize students to transfer
4 from a school operated by a local edu-
5 cational agency to a higher performing
6 public school operated by another local
7 educational agency, or to a public charter
8 school and provide such students transpor-
9 tation (or the costs of transportation to
10 such schools), in conjunction with not less
11 than 1 additional action described under
12 this paragraph.

13 “(D) HEARING.—Prior to implementing
14 any corrective action, the State educational
15 agency shall provide due process and a hearing
16 to the affected local educational agency, if State
17 law provides for such process and hearing.

18 “(E) PUBLICATION.—The State edu-
19 cational agency shall publish, and disseminate
20 to parents and the public any corrective action
21 it takes under this paragraph through such
22 means as the Internet, the media, and public
23 agencies.

24 “(F) DELAY.—A local educational agency
25 may delay, for a period not to exceed 1 year,



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1 implementation of corrective action if the fail-
2 ure to make adequate yearly progress was justi-
3 fied due to exceptional or uncontrollable cir-
4 cumstances such as a natural disaster or a pre-
5 cipitous and unforeseen decline in the financial
6 resources of the local educational agency or
7 school.

8 “(10) SPECIAL RULE.—A local educational
9 agency, that, for at least 2 of the 3 years following
10 identification under paragraph (2), makes adequate
11 yearly progress shall no longer be identified for
12 school improvement.

13 “(d) PARENTAL CHOICE.—

14 “(1) IN GENERAL.—In any case described in
15 section 1116(b)(7)(A)(ii)(II) the local educational
16 agency shall permit the parents of each eligible child
17 defined in paragraph (7)(A) to—

18 “(A) receive, from the agency, the child’s
19 share of funds allocated to the school under this
20 part, calculated under paragraph (2); and

21 “(B) use those funds to pay the costs of ei-
22 ther or both of the following:

23 “(i) Notwithstanding any other provi-
24 sion of this Act, attending a private school
25 that agrees to—



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1 “(I) assess the student in mathe-
2 matics and reading and language arts
3 each year during grades 3 through 8
4 and at least once during grades 10
5 through 12, using assessments that
6 are comparable in what they measure
7 to the assessments used by the State;
8 and

9 “(II) provide the results of those
10 assessments to the student’s parents.

11 “(ii) Obtaining supplemental edu-
12 cational services from a provider approved
13 for that purpose by the State educational
14 agency, in accordance with reasonable cri-
15 teria it shall adopt, and paying for the
16 costs of transportation to obtain those
17 services.

18 “(2) PER-CHILD AMOUNT.—The amount of a
19 school’s allocation under this part that it shall make
20 available to the parents of an eligible child under
21 paragraph (1)(B) is equal to—

22 “(A) the amount of the school’s allocation
23 under subpart 2 of this part, after subtracting
24 amounts reserved by the school—



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1 “(i) to carry out parental involvement
2 activities under section 1118; and

3 “(ii) to provide professional develop-
4 ment required by section 1119A; divided
5 by—

6 “(B) the number of eligible children en-
7 rolled in the school.

8 “(3) LIMITATION.—The amount of funds pro-
9 vided to the parents of a child under this subsection
10 shall not exceed the actual costs of the parents for
11 either or both of the following:

12 “(A) Sending the child to a private school.

13 “(B) Obtaining supplemental educational
14 services for the child and providing transpor-
15 tation to those services.

16 “(4) DURATION.—The local educational agency
17 shall continue to provide funds to parents of a child
18 attending a private school under this section until
19 the child completes the grade corresponding to the
20 highest grade offered at the public school the child
21 previously attended.

22 “(5) NONDISCRIMINATION.—

23 “(A) Except as provided in subparagraph
24 (B), title VI of the Civil Rights Act of 1964,
25 title IX of the Education Amendments of 1972,



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1 and section 504 of the Rehabilitation Act of
2 1973, do not apply to a private school that en-
3 rolls an eligible child who receives funds under
4 paragraph (1) by virtue of that child's use of
5 those funds to enroll at that school.

6 “(B) The local educational agency shall en-
7 sure that a private school that enrolls an eligi-
8 ble child described in subparagraph (A) shall
9 afford the child the same rights against dis-
10 crimination provided by the statutes identified
11 in that subparagraph, and shall afford those
12 same rights to any eligible child who applies to
13 enroll in that school.

14 “(6) SCHOOL AID.—Funds used under this sub-
15 section for attendance at a private school shall be
16 considered assistance to the student and shall not be
17 considered as assistance to any school that chooses
18 to participate.

19 “(7) DEFINITIONS.—As used in this subsection,
20 the term—

21 “(A) ‘eligible child’ means a child from a
22 low-income family, as determined by the local
23 educational agency for purposes of allocating
24 funds to schools under section 1113(c)(1); and



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1 “(B) ‘supplementary educational services’
2 means tutoring and other supplemental aca-
3 demic enrichment services.

4 **“SEC. 1117. STATE ASSISTANCE FOR SCHOOL SUPPORT AND**
5 **IMPROVEMENT.**

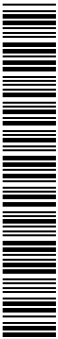
6 “(a) SYSTEM FOR SUPPORT.—Each State shall es-
7 tablish a statewide system of intensive and sustained sup-
8 port and improvement for local educational agencies and
9 schools receiving funds under this part, in order to in-
10 crease the opportunity for all students in those agencies
11 and schools to meet the State’s content standards and stu-
12 dent achievement standards.

13 “(b) PRIORITIES.—In carrying out this section, a
14 State shall—

15 “(1) first, provide support and assistance to
16 local educational agencies subject to corrective action
17 under section 1116 and assist schools, in accordance
18 with section 1116(b)(10), for which a local edu-
19 cational agency has failed to carry out its respon-
20 sibilities under section 1116(b)(8) and (9);

21 “(2) second, provide support and assistance to
22 other local educational agencies identified as in need
23 of improvement under section 1116; and

24 “(3) third, provide support and assistance to
25 other local educational agencies and schools partici-



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1 pating under this part that need that support and
2 assistance in order to achieve the purpose of this
3 part.

4 “(c) APPROACHES.—In order to achieve the purpose
5 described in subsection (a), each such system shall provide
6 technical assistance and support through such approaches
7 as—

8 “(1) school support teams, composed of individ-
9 uals who are knowledgeable about scientifically
10 based research and practice on teaching and learn-
11 ing, particularly about strategies for improving edu-
12 cational results for low-achieving children; and

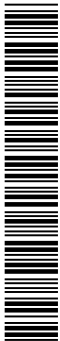
13 “(2) the designation and use of “Distinguished
14 Educators”, chosen from schools served under this
15 part that have been especially successful in improv-
16 ing academic achievement.

17 “(d) FUNDS.—Each State—

18 “(1) shall use funds reserved under section
19 1003(a); and

20 “(2) may use State administrative funds au-
21 thorized under section 1002(i) for such purpose to
22 establish a Statewide system of support.

23 “(e) ALTERNATIVES.—The State may devise addi-
24 tional approaches to providing the assistance described in
25 paragraphs (1) and (2) of subsection (c), such as pro-



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1 viding assistance through institutions of higher education
2 and educational service agencies or other local consortia,
3 and private providers of scientifically based technical as-
4 sistance and the State may seek approval from the Sec-
5 retary to use funds made available under section 1002(g)
6 for such approaches as part of the State plan.

7 **“SEC. 1117A. ACADEMIC ACHIEVEMENT AWARDS PROGRAM.**

8 “(a) ESTABLISHMENT OF ACADEMIC ACHIEVEMENT
9 AWARDS PROGRAM.—

10 “(1) IN GENERAL.—Each State receiving a
11 grant under this part may establish a program for
12 making academic achievement awards to recognize
13 and financially reward schools served under this part
14 that have—

15 “(A) significantly closed the achievement
16 gap between the groups of students defined in
17 section 1111(b)(2); or

18 “(B) exceeded their adequate yearly
19 progress goals, consistent with section
20 1111(b)(2), for 2 or more consecutive years.

21 “(2) AWARDS TO TEACHERS.—A State program
22 under paragraph (1) may also recognize and provide
23 financial awards to teachers teaching in a school de-
24 scribed in such paragraph whose students consist-
25 ently make significant gains in academic achieve-



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1 ment in the areas in which the teacher provides in-
2 struction.

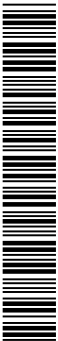
3 “(b) FUNDING.—

4 “(1) RESERVATION OF FUNDS BY STATE.—For
5 the purpose of carrying out this section, each State
6 receiving a grant under this part may reserve, from
7 the amount (if any) by which the funds received by
8 the State under this part for a fiscal year exceed the
9 amount received by the State under this part for the
10 preceding fiscal year, not more than 30 percent of
11 such excess amount.

12 “(2) USE WITHIN 3 YEARS.—Notwithstanding
13 any other provision of law, the amount reserved
14 under paragraph (1) by a State for each fiscal year
15 shall remain available to the State until expended
16 for a period not exceeding 3 years.

17 “(3) SPECIAL ALLOCATION RULE FOR SCHOOLS
18 IN HIGH-POVERTY AREAS.—

19 “(A) IN GENERAL.—Each State receiving
20 a grant under this part shall distribute at least
21 50 percent of the amount reserved under para-
22 graph (1) for each fiscal year to schools de-
23 scribed in subparagraph (B), or to teachers
24 teaching in such schools.



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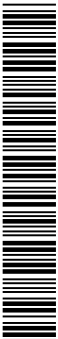
1 “(B) SCHOOL DESCRIBED.—A school de-
2 scribed in subparagraph (A) is a school whose
3 student population is in the highest quartile of
4 schools statewide in terms of the percentage of
5 children eligible for free and reduced priced
6 lunches under the National School Lunch Act.

7 **“SEC. 1118. PARENTAL INVOLVEMENT.**

8 “(a) LOCAL EDUCATIONAL AGENCY POLICY.—

9 “(1) IN GENERAL.—A local educational agency
10 may receive funds under this part only if such agen-
11 cy implements programs, activities, and procedures
12 for the involvement of parents in programs assisted
13 under this part consistent with the provisions of this
14 section. Such activities shall be planned and imple-
15 mented with meaningful consultation with parents of
16 participating children.

17 “(2) WRITTEN POLICY.—Each local educational
18 agency that receives funds under this part shall de-
19 velop jointly with, agree upon with, and distribute
20 to, parents of participating children a written parent
21 involvement policy that is incorporated into the local
22 educational agency’s plan developed under section
23 1112, establishes the expectations for parent involve-
24 ment, and describes how the local educational agen-
25 cy will—



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1 “(A) involve parents in the joint develop-
2 ment of the plan under section 1112, and the
3 process of school review and improvement under
4 section 1116;

5 “(B) provide the coordination, technical as-
6 sistance, and other support necessary to assist
7 participating schools in planning and imple-
8 menting effective parent involvement;

9 “(C) build the schools’ and parents’ capac-
10 ity for strong parent involvement as described
11 in subsection (e);

12 “(D) coordinate and integrate parental in-
13 volvement strategies under this part with paren-
14 tal involvement strategies under other pro-
15 grams, such as Head Start, Early Reading
16 First, Reading First, Even Start, the Parents
17 as Teachers Program, the Home Instruction
18 Program for Preschool Youngsters, and State-
19 run preschool programs;

20 “(E) conduct, with the involvement of par-
21 ents, an annual evaluation of the content and
22 effectiveness of the parental involvement policy
23 in improving the academic quality of the schools
24 served under this part; and



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1 “(F) involve parents in the activities of the
2 schools served under this part.

3 “(3) RESERVATION.—

4 “(A) IN GENERAL.—Each local educational
5 agency shall reserve not less than 1 percent of
6 such agency’s allocation under this part to
7 carry out this section, including family literacy
8 and parenting skills, except that this paragraph
9 shall not apply if 1 percent of such agency’s al-
10 location under this part (other than funds allo-
11 cated under section 1002(g) for the fiscal year
12 for which the determination is made is \$5,000
13 or less.

14 “(B) PARENTAL INPUT.—Parents of children
15 receiving services under this part shall be involved in
16 the decisions regarding how funds reserved under
17 subparagraph (A) are allotted for parental involve-
18 ment activities.

19 “(C) DISTRIBUTION OF FUNDS.—Not less than
20 95 percent of the funds reserved under subpara-
21 graph (A) shall be distributed to schools served
22 under this part.

23 “(b) SCHOOL PARENTAL INVOLVEMENT POLICY.—

24 “(1) IN GENERAL.—Each school served under
25 this part shall jointly develop with, and distribute to,



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1 parents of participating children a written parental
2 involvement policy, agreed upon by such parents,
3 that shall describe the means for carrying out the
4 requirements of subsections (c) through (f). Parents
5 shall be notified of the policy in a format, and to the
6 extent practicable in a language they can under-
7 stand. Such policy shall be updated periodically to
8 meet the changing needs of parents and the school.

9 “(2) SPECIAL RULE.—If the school has a pa-
10 rental involvement policy that applies to all parents,
11 such school may amend that policy, if necessary, to
12 meet the requirements of this subsection.

13 “(3) AMENDMENT.—If the local educational
14 agency has a school district-level parental involve-
15 ment policy that applies to all parents, such agency
16 may amend that policy, if necessary, to meet the re-
17 quirements of this subsection.

18 “(4) PARENTAL COMMENTS.—If the plan under
19 section 1112 is not satisfactory to the parents of
20 participating children, the local educational agency
21 shall submit any parent comments with such plan
22 when such local educational agency submits the plan
23 to the State.

24 “(c) POLICY INVOLVEMENT.—Each school served
25 under this part shall—



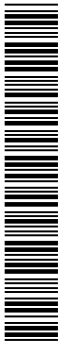
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1 “(1) convene an annual meeting, at a conven-
2 ient time, to which all parents of participating chil-
3 dren shall be invited and encouraged to attend, to
4 inform parents of their school’s participation under
5 this part and to explain this part, its requirements,
6 and their right to be involved;

7 “(2) offer a flexible number of meetings, such
8 as meetings in the morning or evening, and may
9 provide, with funds provided under this part, trans-
10 portation, child care, or home visits, as such services
11 relate to parental involvement;

12 “(3) involve parents, in an organized, ongoing,
13 and timely way, in the planning, review, and im-
14 provement of programs under this part, including
15 the school parental involvement policy and the joint
16 development of the schoolwide program plan under
17 section 1114(c)(2) and (c)(3), except that if a school
18 has in place a process for involving parents in the
19 joint planning and design of its programs, the school
20 may use that process, if such process includes an
21 adequate representation of parents of participating
22 children;

23 “(4) provide parents of participating children—
24 “(A) timely information about programs
25 under this part;



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1 “(B) a description and explanation of the
2 curriculum in use at the school, the forms of as-
3 sessment used to measure student progress, and
4 the proficiency levels students are expected to
5 meet; and

6 “(5) if the schoolwide program plan under sec-
7 tion 1114(c)(2) and (c)(3) is not satisfactory to the
8 parents of participating children, submit any parent
9 comments on the plan when the school makes the
10 plan available to the local educational agency.

11 “(d) SHARED RESPONSIBILITIES FOR HIGH STU-
12 DENT PERFORMANCE.—As a component of the school-
13 level parental involvement policy developed under sub-
14 section (b), each school served under this part shall jointly
15 develop with parents for all children served under this part
16 a school-parent compact that outlines how parents, the en-
17 tire school staff, and students will share the responsibility
18 for improved student achievement and the means by which
19 the school and parents will build and develop a partnership
20 to help children achieve the State’s high standards.

21 “(e) BUILDING CAPACITY FOR INVOLVEMENT.—To
22 ensure effective involvement of parents and to support a
23 partnership among the school, parents, and the commu-
24 nity to improve student achievement, each school and local
25 educational agency—



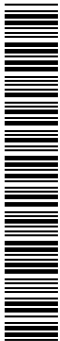
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1 “(1) shall provide assistance to participating
2 parents in such areas as understanding the State’s
3 content standards and State student achievement
4 standards, the provisions of section 1111(b)(8),
5 State and local assessments, the requirements of this
6 part, and how to monitor a child’s progress and
7 work with educators to improve the performance of
8 their children;

9 “(2) shall provide materials and training to
10 help parents to work with their children to improve
11 their children’s achievement;

12 “(3) shall educate teachers, pupil services per-
13 sonnel, principals and other staff, with the assist-
14 ance of parents, in the value and utility of contribu-
15 tions of parents, and in how to reach out to, commu-
16 nicate with, and work with parents as equal part-
17 ners, implement and coordinate parent programs,
18 and build ties between parents and the school;

19 “(4) shall coordinate and integrate parent in-
20 volvement programs and activities with Head Start,
21 Reading First, Early Reading First, Even Start, the
22 Home Instruction Programs for Preschool Young-
23 sters, the Parents as Teachers Program, and public
24 preschool programs and other programs, to the ex-
25 tent feasible and appropriate;



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1 “(5) shall ensure, to the extent possible, that
2 information related to school and parent programs,
3 meetings, and other activities is sent to the parents
4 of participating children in the language used by
5 such parents;

6 “(6) may involve parents in the development of
7 training for teachers, principals, and other educators
8 to improve the effectiveness of such training in im-
9 proving instruction and services to the children of
10 such parents in a format, and to the extent prac-
11 ticable, in a language the parent can understand;

12 “(7) may provide necessary literacy training
13 from funds received under this part if the local edu-
14 cational agency has exhausted all other reasonably
15 available sources of funding for such activities;

16 “(8) may pay reasonable and necessary ex-
17 penses associated with local parental involvement ac-
18 tivities, including transportation and child care
19 costs, to enable parents to participate in school-re-
20 lated meetings and training sessions;

21 “(9) may train parents to enhance the involve-
22 ment of other parents;

23 “(10) may arrange for teachers or other edu-
24 cators, who work directly with participating children,



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1 to conduct in-home conferences with parents who are
2 unable to attend such conferences at school;

3 “(11) may adopt and implement model ap-
4 proaches to improving parental involvement;

5 “(12) may establish a districtwide parent advi-
6 sory council to provide advice on all matters related
7 to parental involvement in programs supported
8 under this part; and

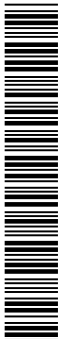
9 “(13) may develop appropriate roles for com-
10 munity-based organizations and businesses in parent
11 involvement activities.

12 “(f) ACCESSIBILITY.—In carrying out the parental
13 involvement requirements of this part, local educational
14 agencies and schools, to the extent practicable, shall pro-
15 vide full opportunities for the participation of parents with
16 limited English proficiency or with disabilities and parents
17 of migratory children, including providing information and
18 school reports required under section 1111 in a format,
19 and to the extent practicable, in a language such parents
20 understand.

21 **“SEC. 1119. QUALIFICATIONS FOR TEACHERS AND PARA-**
22 **PROFESSIONALS.**

23 “(a) TEACHERS.—

24 “(1) IN GENERAL.—Each local educational
25 agency receiving assistance under this part shall en-



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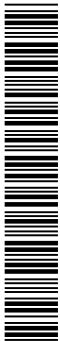
1 sure that all teachers hired on or after the effective
2 date of the No Child Left Behind Act of 2001 and
3 teaching in a program supported with funds under
4 this part are fully qualified.

5 “(2) PLAN.—Each State receiving assistance
6 under this part shall develop and submit to the Sec-
7 retary a plan to ensure that all teachers teaching
8 within the State are fully qualified not later than
9 December 31, 2005. Such plan shall include an as-
10 surance that the State will require each local edu-
11 cational agency and school receiving funds under
12 this part publicly to report their annual progress on
13 the agency’s and the school’s performance in in-
14 creasing the percentage of classes in core academic
15 areas taught by fully qualified teachers.

16 “(b) NEW PARAPROFESSIONALS.—

17 “(1) IN GENERAL.—Each local educational
18 agency receiving assistance under this part shall en-
19 sure that all paraprofessionals hired 1 year or more
20 after the effective date of the No Child Left Behind
21 Act of 2001 and working in a program supported
22 with funds under this part shall—

23 “(A) have completed at least 2 years of
24 study at an institution of higher education;



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1 “(B) have obtained an associate’s (or high-
2 er) degree; or

3 “(C) have met a rigorous standard of qual-
4 ity that demonstrates, through a formal
5 assessment—

6 “(i) knowledge of, and the ability to
7 assist in instructing reading, writing, and
8 math; or

9 “(ii) knowledge of, and the ability to
10 assist in instructing reading readiness,
11 writing readiness, and math readiness, as
12 appropriate.

13 “(2) CLARIFICATION.—For purposes of para-
14 graph (1)(C), the receipt of a high school diploma
15 (or its recognized equivalent) shall be necessary but
16 not by itself sufficient to satisfy the requirements of
17 such paragraph.

18 “(c) EXISTING PARAPROFESSIONALS.—Each local
19 educational agency receiving assistance under this part
20 shall ensure that all paraprofessionals hired before the
21 date that is 1 year after the effective date of the No Child
22 Left Behind Act of 2001 and working in a program sup-
23 ported with funds under this part shall, not later than 3
24 years after such effective date, satisfy the requirements
25 of subsection (b).



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1 “(d) EXCEPTIONS FOR TRANSLATION AND PAREN-
2 TAL INVOLVEMENT ACTIVITIES.—Subsections (b) and (c)
3 shall not apply to a paraprofessional—

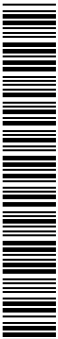
4 “(1) who is proficient in English and a lan-
5 guage other than English and who provides services
6 primarily to enhance the participation of children in
7 programs under this part by acting as a translator;
8 or

9 “(2) whose duties consist solely of conducting
10 parental involvement activities consistent with sec-
11 tion 1118.

12 “(e) GENERAL REQUIREMENT FOR ALL PARA-
13 PROFESSIONALS.—Each local educational agency receiving
14 assistance under this part shall ensure that all paraprofes-
15 sionals working in a program supported with funds under
16 this part, regardless of the paraprofessional’s hiring date,
17 possess a high school diploma or its recognized equivalent.

18 “(f) DUTIES OF PARAPROFESSIONALS.—

19 “(1) IN GENERAL.—Each local educational
20 agency receiving assistance under this part shall en-
21 sure that a paraprofessional working in a program
22 supported with funds under this part is not assigned
23 a duty inconsistent with this subsection.



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1 “(2) RESPONSIBILITIES PARAPROFESSIONALS
2 MAY BE ASSIGNED.—A paraprofessional described in
3 paragraph (1) may only be assigned—

4 “(A) to provide one-on-one tutoring for eli-
5 gible students, if the tutoring is scheduled at a
6 time when a student would not otherwise re-
7 ceive instruction from a teacher;

8 “(B) to assist with classroom management,
9 such as organizing instructional and other ma-
10 terials;

11 “(C) to provide assistance in a computer
12 laboratory;

13 “(D) to conduct parental involvement ac-
14 tivities;

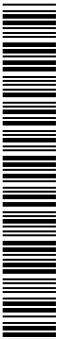
15 “(E) to provide support in a library or
16 media center;

17 “(F) to act as a translator; or

18 “(G) to provide instructional services to
19 students.

20 “(3) ADDITIONAL LIMITATIONS.—A paraprofes-
21 sional described in paragraph (1)—

22 “(A) may not provide any instructional
23 service to a student unless the paraprofessional
24 is working under the direct supervision of a
25 fully qualified teacher; and



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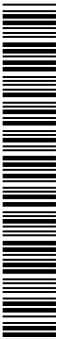
1 “(B) may not provide instructional services
2 to students in the area of reading, writing, or
3 math unless the paraprofessional has dem-
4 onstrated, through a State or local assessment,
5 the ability to effectively carry out reading, writ-
6 ing, or math instruction.

7 “(g) USE OF FUNDS.—

8 “(1) PROFESSIONAL DEVELOPMENT.—A local
9 educational agency receiving funds under this part
10 may use such funds to support ongoing training and
11 professional development to assist teachers and
12 paraprofessionals in satisfying the requirements of
13 this section.

14 “(2) LIMITATION ON USE OF FUNDS FOR PARA-
15 PROFESSIONALS.—

16 “(A) IN GENERAL.—Beginning on and
17 after the effective date of the No Child Left Be-
18 hind Act of 2001, a local educational agency
19 may not use funds received under this part to
20 fund any paraprofessional hired after such date
21 unless the hiring is to fill a vacancy created by
22 the departure of another paraprofessional fund-
23 ed under this part and such new paraprofes-
24 sional satisfies the requirements of subsection
25 (b) or (c).



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1 “(B) EXCEPTION.—Subparagraph (A)
2 shall not apply for a fiscal year to a local edu-
3 cational agency that can demonstrate to the
4 State that all teachers under the jurisdiction of
5 the agency are fully qualified.

6 “(h) VERIFICATION OF COMPLIANCE.—

7 “(1) IN GENERAL.—In verifying compliance
8 with this section, each local educational agency at a
9 minimum shall require that the principal of each
10 school operating a program under section 1114 or
11 1115 annually attest in writing as to whether such
12 school is in compliance with the requirements of this
13 section.

14 “(2) AVAILABILITY OF INFORMATION.—Copies
15 of attestations under paragraph (1)—

16 “(A) shall be maintained at each school op-
17 erating a program under section 1114 or 1115
18 and at the main office of the local educational
19 agency; and

20 “(B) shall be available to any member of
21 the general public upon request.

22 **“SEC. 1119A. PROFESSIONAL DEVELOPMENT.**

23 “(a) PURPOSE.—The purpose of this section is to as-
24 sist each local educational agency receiving assistance
25 under this part in increasing the academic achievement



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1 of eligible children (as defined in section 1115(b)) through
2 improved teacher quality.

3 “(b) PROFESSIONAL DEVELOPMENT ACTIVITIES.—
4 Professional development activities under this section
5 shall—

6 “(1) support professional development activities
7 that give teachers, principals, and administrators the
8 knowledge and skills to provide students with the op-
9 portunity to meet challenging State or local content
10 standards and student achievement standards;

11 “(2) support the recruiting, hiring, and training
12 of fully qualified teachers, including teachers fully
13 qualified through State and local alternative routes;

14 “(3) advance teacher understanding of effective
15 instructional strategies based on scientifically based
16 research for improving student achievement, at a
17 minimum, in reading or language arts and mathe-
18 matics;

19 “(4) be directly related to the curriculum and
20 content areas in which the teacher provides instruc-
21 tion, except this requirement does not apply to ac-
22 tivities that instruct in methods of disciplining chil-
23 dren;

24 “(5) be designed to enhance the ability of a
25 teacher to understand and use the State’s standards



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1 for the subject area in which the teacher provides in-
2 struction;

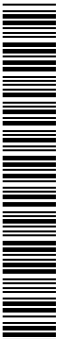
3 “(6) be tied to scientifically based research
4 demonstrating the effectiveness of such professional
5 development activities or programs in increasing stu-
6 dent achievement or substantially increasing the
7 knowledge and teaching skills of teachers;

8 “(7) be of sufficient intensity and duration (not
9 to include 1-day or short-term workshops and con-
10 ferences) to have a positive and lasting impact on
11 the teacher’s performance in the classroom;

12 “(8) be developed with extensive participation
13 of teachers, principals, parents, and administrators
14 of schools to be served under this part;

15 “(9) to the extent appropriate, provide training
16 for teachers in the use of technology so that tech-
17 nology and its applications are effectively used in the
18 classroom to improve teaching and learning in the
19 curriculum and academic content areas in which the
20 teachers provide instruction; and

21 “(10) as a whole, be regularly evaluated for
22 their impact on increased teacher effectiveness and
23 improved student achievement, with the findings of
24 such evaluations used to improve the quality of pro-
25 fessional development.



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1 “(c) ADDITIONAL PROFESSIONAL DEVELOPMENT
2 ACTIVITIES.—Such professional development activities
3 may include—

4 “(1) instruction in the use of data and assess-
5 ments to inform and instruct classroom practice;

6 “(2) instruction in ways that teachers, prin-
7 cipals, pupil services personnel, and school adminis-
8 trators may work more effectively with parents;

9 “(3) the forming of partnerships with institu-
10 tions of higher education to establish school-based
11 teacher training programs that provide prospective
12 teachers and novice teachers with an opportunity to
13 work under the guidance of experienced teachers and
14 college faculty;

15 “(4) the creation of career ladder programs for
16 paraprofessionals (assisting teachers under this
17 part) to obtain the education necessary for such
18 paraprofessionals to become licensed and certified
19 teachers; and

20 “(5) instruction in ways to teach special needs
21 children.

22 “(c) PROGRAM PARTICIPATION.—Each local edu-
23 cational agency receiving assistance under this part may
24 design professional development programs so that—



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1 “(1) all school staff in schools participating in
2 a schoolwide program under section 1114 can par-
3 ticipate in professional development activities; and

4 “(2) all school staff in targeted assistance
5 schools may participate in professional development
6 activities if such participation will result in better
7 addressing the needs of students served under this
8 part.

9 “(d) PARENTAL PARTICIPATION.—Parents may par-
10 ticipate in professional development activities under this
11 part if the school determines that parental participation
12 is appropriate.

13 “(e) CONSORTIA.—In carrying out such professional
14 development programs, local educational agencies may
15 provide services through consortia arrangements with
16 other local educational agencies, educational service agen-
17 cies or other local consortia, institutions of higher edu-
18 cation, or other public or private institutions or organiza-
19 tions.

20 “(f) CONSOLIDATION OF FUNDS.—Funds provided
21 under this part that are used for professional development
22 purposes may be consolidated with funds provided under
23 title II of this Act and other sources.

24 “(g) DEFINITION.—The term ‘fully qualified’ has the
25 same meaning given such term in section 8101.



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1 “(h) SPECIAL RULE.—No State educational agency
2 shall require a school or a local educational agency to ex-
3 pend a specific amount of funds for professional develop-
4 ment activities under this part, except that this paragraph
5 shall not apply with respect to requirements under section
6 1116(c)(9).

7 **“SEC. 1120. PARTICIPATION OF CHILDREN ENROLLED IN**
8 **PRIVATE SCHOOLS.**

9 “(a) GENERAL REQUIREMENT.—

10 “(1) IN GENERAL.—To the extent consistent
11 with the number of eligible children identified under
12 section 1115(b) in a local educational agency who
13 are enrolled in private elementary and secondary
14 schools, a local educational agency shall, after timely
15 and meaningful consultation with appropriate pri-
16 vate school officials, provide such children, on an eq-
17 uitable basis, special educational services or other
18 benefits under this part (such as dual enrollment,
19 educational radio and television, computer equip-
20 ment and materials, other technology, and mobile
21 educational services and equipment) that address
22 their needs, and shall ensure that teachers and fami-
23 lies of these students participate, on an equitable
24 basis, in services and activities developed pursuant
25 to sections 1118 and 1119A.



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1 “(2) SECULAR, NEUTRAL, NONIDEOLOGICAL.—
2 Such educational services or other benefits, including
3 materials and equipment, shall be secular, neutral,
4 and nonideological.

5 “(3) EQUITY.—Educational services and other
6 benefits for such private school children shall be eq-
7 uitable in comparison to services and other benefits
8 for public school children participating under this
9 part, and shall be provided in a timely manner.

10 “(4) EXPENDITURES.—Expenditures for edu-
11 cational services and other benefits to eligible private
12 school children shall be equal to the proportion of
13 funds allocated to participating school attendance
14 areas based on the number of children from low-in-
15 come families who attend private schools, which the
16 local educational agency may determine each year or
17 every 2 years.

18 “(5) PROVISION OF SERVICES.—The local edu-
19 cational agency shall provide services under this sec-
20 tion directly or through contracts with public and
21 private agencies, organizations, and institutions.

22 “(b) CONSULTATION.—

23 “(1) IN GENERAL.—To ensure timely and
24 meaningful consultation, a local educational agency
25 shall consult with appropriate private school officials



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1 during the design and development of such agency's
2 programs under this part, on issues such as—

3 “(A) how the children's needs will be iden-
4 tified;

5 “(B) what services will be offered;

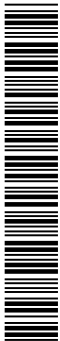
6 “(C) how, where, and by whom the services
7 will be provided;

8 “(D) how the services will be assessed and
9 how the results of that assessment will be used
10 to improve those services;

11 “(E) the size and scope of the equitable
12 services to be provided to the eligible private
13 school children, and the amount of funds gen-
14 erated by low-income private school children in
15 each participating attendance area;

16 “(F) the method or sources of data that
17 are used under subsection (a)(4) and section
18 1113(c)(2) to determine the number of children
19 from low-income families in participating school
20 attendance areas who attend private schools;
21 and

22 “(G) how and when the agency will make
23 decisions about the delivery of services to such
24 children, including a thorough consideration
25 and analysis of the views of the private school



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1 officials on the provision of contract services
2 through potential third party providers.

3 If the local educational agency disagrees with the views
4 of the private school officials on the provision of services,
5 through a contract, the local educational agency shall pro-
6 vide in writing to such private school officials, an analysis
7 of the reasons why the local educational agency has chosen
8 not to use a contractor.

9 “(2) TIMING.—Such consultation shall include
10 meetings of agency and private school officials and
11 shall occur before the local educational agency
12 makes any decision that affects the opportunities of
13 eligible private school children to participate in pro-
14 grams under this part. Such meetings shall continue
15 throughout implementation and assessment of serv-
16 ices provided under this section.

17 “(3) DISCUSSION.—Such consultation shall in-
18 clude a discussion of service delivery mechanisms a
19 local educational agency can use to provide equitable
20 services to eligible private school children.

21 “(4) DOCUMENTATION.—Each local educational
22 agency shall maintain in its records and provide to
23 the State educational agency a written affirmation
24 signed by officials of each participating private



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1 school that the consultation required by this section
2 has occurred.

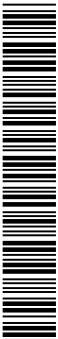
3 “(5) COMPLIANCE.—Private school officials
4 shall have the right to appeal to the State as to
5 whether the consultation provided for in this section
6 was meaningful and timely, and that due consider-
7 ation was given to the views of private school offi-
8 cials. If the private school wishes to appeal, the basis
9 of the claim of noncompliance with this section by
10 a local educational agency shall be provided to the
11 State, and the local educational agency shall forward
12 the documentation provided in subsection (b)(4) to
13 the State.

14 “(c) PUBLIC CONTROL OF FUNDS.—

15 “(1) IN GENERAL.—The control of funds pro-
16 vided under this part, and title to materials, equip-
17 ment, and property purchased with such funds, shall
18 be in a public agency, and a public agency shall ad-
19 minister such funds and property.

20 “(2) PROVISION OF SERVICES.—(A) The provi-
21 sion of services under this section shall be
22 provided—

23 “(i) by employees of a public agency; or



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1 “(ii) through contract by such public agen-
2 cy with an individual, association, agency, or or-
3 ganization.

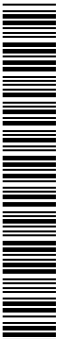
4 “(B) In the provision of such services, such em-
5 ployee, person, association, agency, or organization
6 shall be independent of such private school and of
7 any religious organization, and such employment or
8 contract shall be under the control and supervision
9 of such public agency.

10 “(d) STANDARDS FOR A BYPASS.—If a local edu-
11 cational agency is prohibited by law from providing for
12 the participation on an equitable basis of eligible children
13 enrolled in private elementary and secondary schools or
14 if the Secretary determines that a local educational agency
15 has substantially failed or is unwilling to provide for such
16 participation, as required by this section, the Secretary
17 shall—

18 “(1) arrange for the provision of services to
19 such children through arrangements that shall be
20 subject to the requirements of this section and sec-
21 tions 8505 and 8506; and

22 “(2) waive the requirements of this section for
23 such local educational agency;

24 “(3) in making the determination, consider 1 or
25 more factors, including the quality, size, scope, and



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1 location of the program and the opportunity of eligi-
2 ble children to participate.

3 “(e) CAPITAL EXPENSES.—

4 “(1) IN GENERAL.—(A) From the amount ap-
5 propriated for this subsection under section 1002(e)
6 for any fiscal year, each State is eligible to receive
7 an amount that bears the same ratio to the amount
8 so appropriated as the number of private school chil-
9 dren who received services under this part in the
10 State in the most recent year for which data satis-
11 factory to the Secretary are available bears to the
12 number of such children in all States in that same
13 year.

14 “(B) The Secretary shall reallocate any
15 amounts allocated under subparagraph (A) that are
16 not used by a State for the purpose of this sub-
17 section to other States on the basis of their respec-
18 tive needs, as determined by the Secretary.

19 “(2) CAPITAL EXPENSES.—(A) A local edu-
20 cational agency may apply to the State educational
21 agency for payments for capital expenses consistent
22 with this subsection.

23 “(B) State educational agencies shall distribute
24 such funds under this subsection to local educational
25 agencies based on the degree of need set forth in



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1 their respective applications for assistance under this
2 subsection.

3 “(3) USES OF FUNDS.—Any funds appropriated
4 to carry out this subsection shall be used only for
5 capital expenses incurred to provide equitable serv-
6 ices for private school children under this section.

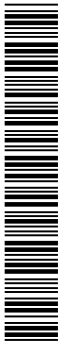
7 **“SEC. 1120A. FISCAL REQUIREMENTS.**

8 “(a) MAINTENANCE OF EFFORT.—A local edu-
9 cational agency may receive funds under this part for any
10 fiscal year only if the State educational agency finds that
11 the local educational agency has maintained its fiscal ef-
12 fort in accordance with section 8501 of this Act.

13 “(b) FEDERAL FUNDS TO SUPPLEMENT, NOT SUP-
14 PLANT, NON-FEDERAL FUNDS.—

15 “(1) IN GENERAL.—A State or local edu-
16 cational agency shall use funds received under this
17 part only to supplement the amount of funds that
18 would, in the absence of such Federal funds, be
19 made available from non-Federal sources for the
20 education of pupils participating in programs as-
21 sisted under this part, and not to supplant such
22 funds.

23 “(2) SPECIAL RULE.—No local educational
24 agency shall be required to provide services under
25 this part through a particular instructional method



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1 or in a particular instructional setting in order to
2 demonstrate such agency's compliance with para-
3 graph (1).

4 “(c) COMPARABILITY OF SERVICES.—

5 “(1) IN GENERAL.—(A) Except as provided in
6 paragraphs (4) and (5), a local educational agency
7 may receive funds under this part only if State and
8 local funds will be used in schools served under this
9 part to provide services that, taken as a whole, are
10 at least comparable to services in schools that are
11 not receiving funds under this part.

12 “(B) If the local educational agency is serving
13 all of such agency's schools under this part, such
14 agency may receive funds under this part only if
15 such agency will use State and local funds to provide
16 services that, taken as a whole, are substantially
17 comparable in each school.

18 “(C) A local educational agency may meet the
19 requirements of subparagraphs (A) and (B) on a
20 grade-span by grade-span basis or a school-by-school
21 basis.

22 “(2) WRITTEN ASSURANCE.—(A) A local edu-
23 cational agency shall be considered to have met the
24 requirements of paragraph (1) if such agency has
25 filed with the State educational agency a written as-



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1 surance that such agency has established and
2 implemented—

3 “(i) a local educational agency-wide salary
4 schedule;

5 “(ii) a policy to ensure equivalence among
6 schools in teachers, administrators, and other
7 staff; and

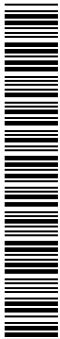
8 “(iii) a policy to ensure equivalence among
9 schools in the provision of curriculum materials
10 and instructional supplies.

11 “(B) For the purpose of subparagraph (A), in
12 the determination of expenditures per pupil from
13 State and local funds, or instructional salaries per
14 pupil from State and local funds, staff salary dif-
15 ferentials for years of employment shall not be in-
16 cluded in such determinations.

17 “(C) A local educational agency need not in-
18 clude unpredictable changes in student enrollment or
19 personnel assignments that occur after the beginning
20 of a school year in determining comparability of
21 services under this subsection.

22 “(3) PROCEDURES AND RECORDS.—Each local
23 educational agency assisted under this part shall—

24 “(A) develop procedures for compliance
25 with this subsection; and



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1 “(B) maintain records that are updated bi-
2 ennially documenting such agency’s compliance
3 with this subsection.

4 “(4) INAPPLICABILITY.—This subsection shall
5 not apply to a local educational agency that does not
6 have more than 1 building for each grade span.

7 “(5) COMPLIANCE.—For the purpose of deter-
8 mining compliance with paragraph (1), a local edu-
9 cational agency may exclude State and local funds
10 expended for—

11 “(A) English language instruction for chil-
12 dren of limited English proficiency; and

13 “(B) excess costs of providing services to
14 children with disabilities as determined by the
15 local educational agency.

16 “(d) EXCLUSION OF FUNDS.—For the purpose of
17 complying with subsections (b) and (c), a State or local
18 educational agency may exclude supplemental State or
19 local funds expended in any school attendance area or
20 school for programs that meet the intent and purposes of
21 this part.

22 **“SEC. 1120B. COORDINATION REQUIREMENTS.**

23 “(a) IN GENERAL.—Each local educational agency
24 receiving assistance under this part shall carry out the ac-
25 tivities described in subsection (b) with Head Start Agen-



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1 cies, and if feasible, other early childhood development
2 programs such as Early Reading First.

3 “(b) ACTIVITIES.—The activities referred to in sub-
4 section (a) are activities that increase coordination be-
5 tween the local educational agency and a Head Start agen-
6 cy, and, if feasible, other early childhood development pro-
7 grams, such as Early Reading First serving children who
8 will attend the schools of such agency, including—

9 “(1) developing and implementing a systematic
10 procedure for receiving records regarding such chil-
11 dren transferred with parental consent from a Head
12 Start program or, where applicable, other early
13 childhood development programs such as Early
14 Reading First;

15 “(2) establishing channels of communication be-
16 tween school staff and their counterparts in such
17 Head Start agencies (including teachers, social
18 workers, and health staff) or other early childhood
19 development programs such as Early Reading First,
20 as appropriate, to facilitate coordination of pro-
21 grams;

22 “(3) conducting meetings involving parents,
23 kindergarten or elementary school teachers, and
24 Head Start teachers or, if appropriate, teachers
25 from other early childhood development programs



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1 such as Early Reading First, to discuss the develop-
2 mental and other needs of individual children;

3 “(4) organizing and participating in joint tran-
4 sition related training of school staff, Head Start
5 staff, Early Reading First staff and, where appro-
6 priate, other early childhood staff; and

7 “(5) linking the educational services provided in
8 such local educational agency with the services pro-
9 vided in local Head Start agencies and Early Read-
10 ing First programs.

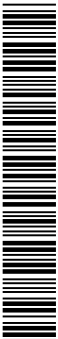
11 “(c) COORDINATION OF REGULATIONS.—The Sec-
12 retary shall work with the Secretary of Health and Human
13 Services to coordinate regulations promulgated under this
14 part with regulations promulgated under the Head Start
15 Act Amendments of 1994.

16 **“Subpart 2—Allocations**

17 **“SEC. 1121. GRANTS FOR THE OUTLYING AREAS AND THE**
18 **SECRETARY OF THE INTERIOR.**

19 “(a) RESERVATION OF FUNDS.—From the amount
20 appropriated for payments to States for any fiscal year
21 under section 1002(a), the Secretary shall reserve a total
22 of 1 percent to provide assistance to—

23 “(1) the outlying areas in the amount deter-
24 mined in accordance with subsection (b); and



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1 “(2) the Secretary of the Interior in the amount
2 necessary to make payments pursuant to subsection
3 (d).

4 “(b) ASSISTANCE TO OUTLYING AREAS.—

5 “(1) FUNDS RESERVED.—From the amount
6 made available for any fiscal year under subsection
7 (a), the Secretary shall award grants to the outlying
8 areas.

9 “(2) COMPETITIVE GRANTS.—For fiscal years
10 2000 and 2001, the Secretary shall carry out the
11 competition described in paragraph (3), except that
12 the amount reserved to carry out such competition
13 shall not exceed the amount reserved under this sec-
14 tion for the freely associated states for fiscal year
15 1999.

16 “(3) LIMITATION FOR COMPETITIVE GRANTS.—

17 “(A) COMPETITIVE GRANTS.—The Sec-
18 retary shall use funds described in paragraph
19 (2) to award grants, on a competitive basis, to
20 the outlying areas and freely associated States
21 to carry out the purposes of this part.

22 “(B) AWARD BASIS.—The Secretary shall
23 award grants under subparagraph (A) on a
24 competitive basis, pursuant to the recommenda-



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1 tions of the Pacific Region Educational Labora-
2 tory in Honolulu, Hawaii.

3 “(C) ADMINISTRATIVE COSTS.—The Sec-
4 retary may provide not more than 5 percent of
5 the amount reserved for grants under this para-
6 graph to pay the administrative costs of the Pa-
7 cific Region Educational Laboratory under sub-
8 paragraph (B).

9 “(4) SPECIAL RULE.—The provisions of Public
10 Law 95-134, permitting the consolidation of grants
11 by the outlying areas, shall not apply to funds pro-
12 vided to the freely associated States under this sec-
13 tion.

14 “(c) DEFINITIONS.—For the purposes of subsections
15 (a) and (b)—

16 “(1) the term ‘freely associated States’ means
17 the Republic of the Marshall Islands, the Federated
18 States of Micronesia, and the Republic of Palau; and

19 “(2) the term ‘outlying area’ means the United
20 States Virgin Islands, Guam, American Samoa, and
21 the Commonwealth of the Northern Mariana Is-
22 lands.

23 “(d) ALLOTMENT TO THE SECRETARY OF THE INTE-
24 RIOR.—



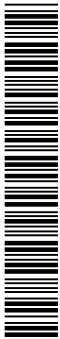
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1 “(1) IN GENERAL.—The amount allotted for
2 payments to the Secretary of the Interior under sub-
3 section (a)(2) for any fiscal year shall be, as deter-
4 mined pursuant to criteria established by the Sec-
5 retary, the amount necessary to meet the special
6 educational needs of—

7 “(A) Indian children on reservations served
8 by elementary and secondary schools for Indian
9 children operated or supported by the Depart-
10 ment of the Interior; and

11 “(B) out-of-State Indian children in ele-
12 mentary and secondary schools in local edu-
13 cational agencies under special contracts with
14 the Department of the Interior.

15 “(2) PAYMENTS.—From the amount allotted
16 for payments to the Secretary of the Interior under
17 subsection (a)(2), the Secretary of the Interior shall
18 make payments to local educational agencies, upon
19 such terms as the Secretary determines will best
20 carry out the purposes of this part, with respect to
21 out-of-State Indian children described in paragraph
22 (1). The amount of such payment may not exceed,
23 for each such child, the greater of—



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1 “(A) 40 percent of the average per-pupil
2 expenditure in the State in which the agency is
3 located; or

4 “(B) 48 percent of such expenditure in the
5 United States.

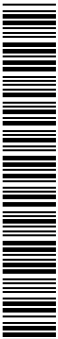
6 **“SEC. 1122. AMOUNTS FOR BASIC GRANTS, CONCENTRA-**
7 **TION GRANTS, AND TARGETED GRANTS.**

8 “(a) ALLOCATION FORMULA.—Of the amount au-
9 thorized to be appropriated to carry out this part for each
10 of fiscal years 2002 through 2006 (referred to in this sub-
11 section as the current fiscal year)—

12 “(1) an amount equal to the amount appro-
13 priated to carry out section 1124 for fiscal year
14 2001 shall be allocated in accordance with section
15 1124;

16 “(2) an amount equal to the amount appro-
17 priated to carry out section 1124A for fiscal year
18 2001 shall be allocated in accordance with section
19 1124A; and

20 “(3) an amount equal to 100 percent of the
21 amount, if any, by which the amount appropriated
22 under section 1002(a) for the current fiscal year ex-
23 ceeds the amount appropriated under such section
24 for fiscal year 2001 shall be allocated in accordance
25 with section 1125.



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1 “(b) ADJUSTMENTS WHERE NECESSITATED BY AP-
2 PROPRIATIONS.—

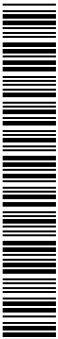
3 “(1) IN GENERAL.—If the sums available under
4 this part for any fiscal year are insufficient to pay
5 the full amounts that all local educational agencies
6 in States are eligible to receive under sections 1124,
7 1124A, and 1125 for such year, the Secretary shall
8 ratably reduce the allocations to such local edu-
9 cational agencies, subject to subsections (c) and (d)
10 of this section.

11 “(2) ADDITIONAL FUNDS.—If additional funds
12 become available for making payments under sec-
13 tions 1124, 1124A, and 1125 for such fiscal year,
14 allocations that were reduced under paragraph (1)
15 shall be increased on the same basis as they were re-
16 duced.

17 “(c) HOLD-HARMLESS AMOUNTS.—

18 “(1) AMOUNTS FOR SECTIONS 1124 AND 1125.—
19 For each fiscal year, the amount made available to
20 each local educational agency under each of sections
21 1124 and 1125 shall be—

22 “(A) not less than 95 percent of the
23 amount made available in the preceding fiscal
24 year if the number of children counted for
25 grants under section 1124 is not less than 30



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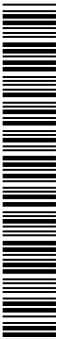
1 percent of the total number of children aged 5
2 to 17 years, inclusive, in the local educational
3 agency;

4 “(B) not less than 90 percent of the
5 amount made available in the preceding fiscal
6 year if the percentage described in subpara-
7 graph (A) is between 15 percent and 30 per-
8 cent; and

9 “(C) not less than 85 percent of the
10 amount made available in the preceding fiscal
11 year if the percentage described in subpara-
12 graph (A) is below 15 percent.

13 “(2) AMOUNT FOR SECTION 1124A.—The
14 amount made available to each local educational
15 agency under section 1124A shall be not less than
16 85 percent of the amount made available in the pre-
17 ceding fiscal year.

18 “(3) PAYMENTS.—If sufficient funds are appro-
19 priated, the amounts described in paragraph (2)
20 shall be paid to all local educational agencies that
21 received grants under section 1124A for the pre-
22 ceding fiscal year, regardless of whether the local
23 educational agency meets the minimum eligibility
24 criteria for that fiscal year provided in section
25 1124A(a)(1)(A) except that a local educational agen-



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1 cy that does not meet such minimum eligibility cri-
2 teria for 4 consecutive years shall no longer be eligi-
3 ble to receive a hold harmless amount referred to in
4 paragraph (2).

5 “(4) POPULATION DATA.—In any fiscal year for
6 which the Secretary calculates grants on the basis of
7 population data for counties, the Secretary shall
8 apply the hold harmless percentages in paragraphs
9 (1) and (2) to counties, and if the Secretary’s alloca-
10 tion for a county is not sufficient to meet the hold-
11 harmless requirements of this subsection for every
12 local educational agency within that county, the
13 State educational agency shall reallocate funds pro-
14 portionately from all other local educational agencies
15 in the State that are receiving funds in excess of the
16 hold harmless amounts specified in this subsection.

17 “(d) RATABLE REDUCTIONS.—

18 “(1) IN GENERAL.—If the sums made available
19 under this part for any fiscal year are insufficient to
20 pay the full amounts that all States are eligible to
21 receive under subsection (c) for such year, the Sec-
22 retary shall ratably reduce such amounts for such
23 year.

24 “(2) ADDITIONAL FUNDS.—If additional funds
25 become available for making payments under sub-



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1 section (c) for such fiscal year, amounts that were
2 reduced under paragraph (1) shall be increased on
3 the same basis as such amounts were reduced.

4 “(e) DEFINITION.—For the purpose of this section
5 and sections 1124, 1124A, and 1125, the term ‘State’
6 means each of the 50 States, the District of Columbia,
7 and the Commonwealth of Puerto Rico.

8 **“SEC. 1124. BASIC GRANTS TO LOCAL EDUCATIONAL AGEN-**
9 **CIES.**

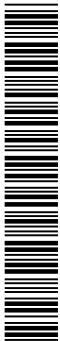
10 “(a) AMOUNT OF GRANTS.—

11 “(1) GRANTS FOR LOCAL EDUCATIONAL AGEN-
12 CIES AND PUERTO RICO.—Except as provided in
13 paragraph (4) and in section 1126, the grant that
14 a local educational agency is eligible to receive under
15 this section for a fiscal year is the amount deter-
16 mined by multiplying—

17 “(A) the number of children counted under
18 subsection (c); and

19 “(B) 40 percent of the average per-pupil
20 expenditure in the State, except that the
21 amount determined under this subparagraph
22 shall not be less than 32 percent or more than
23 48 percent, of the average per-pupil expenditure
24 in the United States.

25 “(2) CALCULATION OF GRANTS.—



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1 “(A) ALLOCATIONS TO LOCAL EDU-
2 CATIONAL AGENCIES.—The Secretary shall cal-
3 culate grants under this section on the basis of
4 the number of children counted under sub-
5 section (c) for local educational agencies, unless
6 the Secretary and the Secretary of Commerce
7 determine that some or all of those data are un-
8 reliable or that their use would be otherwise in-
9 appropriate, in which case—

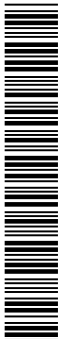
10 “(i) the 2 Secretaries shall publicly
11 disclose the reasons for their determination
12 in detail; and

13 “(ii) paragraph (3) shall apply.

14 “(B) ALLOCATIONS TO LARGE AND SMALL
15 LOCAL EDUCATIONAL AGENCIES.—(i) For any
16 fiscal year in which this paragraph applies, the
17 Secretary shall calculate grants under this sec-
18 tion for each local educational agency.

19 “(ii) The amount of a grant under this
20 section for each large local educational agency
21 shall be the amount determined under clause
22 (i).

23 “(iii) For small local educational agencies,
24 the State educational agency may either—



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1 “(I) distribute grants under this sec-
2 tion in amounts determined by the Sec-
3 retary under clause (i); or

4 “(II) use an alternative method ap-
5 proved by the Secretary to distribute the
6 portion of the State’s total grants under
7 this section that is based on those small
8 agencies.

9 “(iv) An alternative method under clause
10 (iii)(II) shall be based on population data that
11 the State educational agency determines best
12 reflect the current distribution of children in
13 poor families among the State’s small local edu-
14 cational agencies that meet the eligibility cri-
15 teria of subsection (b).

16 “(v) If a small local educational agency is
17 dissatisfied with the determination of its grant
18 by the State educational agency under clause
19 (iii)(II), it may appeal that determination to the
20 Secretary, who shall respond not later than 45
21 days after receipt of such appeal.

22 “(vi) As used in this subparagraph—

23 “(I) the term ‘large local educational
24 agency’ means a local educational agency



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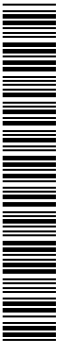
1 serving an area with a total population of
2 20,000 or more; and

3 “(II) the term ‘small local educational
4 agency’ means a local educational agency
5 serving an area with a total population of
6 less than 20,000.

7 “(3) ALLOCATIONS TO COUNTIES.—

8 “(A) CALCULATION.—For any fiscal year
9 to which this paragraph applies, the Secretary
10 shall calculate grants under this section on the
11 basis of the number of children counted under
12 section 1124(c) for counties, and State edu-
13 cational agencies shall suballocate county
14 amounts to local educational agencies, in ac-
15 cordance with regulations issued by the Sec-
16 retary.

17 “(B) DIRECT ALLOCATIONS.—In any State
18 in which a large number of local educational
19 agencies overlap county boundaries, or for
20 which the State believes it has data that would
21 better target funds than allocating them by
22 county, the State educational agency may apply
23 to the Secretary for authority to make the allo-
24 cations under this part for a particular fiscal



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1 year directly to local educational agencies with-
2 out regard to counties.

3 “(C) ASSURANCES.—If the Secretary ap-
4 proves the State educational agency’s applica-
5 tion under subparagraph (B), the State edu-
6 cational agency shall provide the Secretary an
7 assurance that such allocations shall be made—

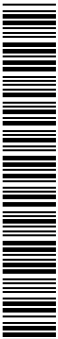
8 “(i) using precisely the same factors
9 for determining a grant as are used under
10 this part; or

11 “(ii) using data that the State edu-
12 cational agency submits to the Secretary
13 for approval that more accurately target
14 poverty.

15 “(D) APPEAL.—The State educational
16 agency shall provide the Secretary an assurance
17 that it shall establish a procedure through
18 which a local educational agency that is dissat-
19 isfied with its determinations under subpara-
20 graph (B) may appeal directly to the Secretary
21 for a final determination.

22 “(4) PUERTO RICO.—

23 “(A) IN GENERAL.—For each fiscal year,
24 the grant which the Commonwealth of Puerto
25 Rico shall be eligible to receive under this sec-



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tion shall be the amount determined by multiplying the number of children counted under subsection (c) for the Commonwealth of Puerto Rico by the product of—

“(i) the percentage which the average per-pupil expenditure in the Commonwealth of Puerto Rico is of the lowest average per-pupil expenditure of any of the 50 States; and

“(ii) 32 percent of the average per-pupil expenditure in the United States.

“(B) MINIMUM PERCENTAGE.—The percentage in subparagraph (A)(i) shall not be less than—

“(i) for fiscal year 2002, 77.5 percent;

“(ii) for fiscal year 2003, 80.0 percent;

“(iii) for fiscal year 2004, 82.5 percent; and

“(iv) for fiscal year 2005 and succeeding fiscal years, 85.0 percent.

“(C) LIMITATION.—If the application of subparagraph (B) would result in any of the 50 States or the District of Columbia receiving less under this part than it received under this part



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1 for the preceding fiscal year, the percentage in
2 subparagraph (A) shall be the greater of the
3 percentage in subparagraph (A)(i) or the per-
4 centage used for the preceding fiscal year.

5 “(5) DEFINITION.—For purposes of this sub-
6 section, the term ‘State’ does not include Guam,
7 American Samoa, the Virgin Islands, and the North-
8 ern Mariana Islands.

9 “(b) MINIMUM NUMBER OF CHILDREN TO QUAL-
10 IFY.—A local educational agency is eligible for a basic
11 grant under this section for any fiscal year only if the
12 number of children counted under subsection (c) for that
13 agency is both—

14 “(1) 10 or more; and

15 “(2) more than 2 percent of the total school-age
16 population in the agency’s jurisdiction.

17 “(c) CHILDREN TO BE COUNTED.—

18 “(1) CATEGORIES OF CHILDREN.—The number
19 of children to be counted for purposes of this section
20 is the aggregate of—

21 “(A) the number of children aged 5 to 17,
22 inclusive, in the school district of the local edu-
23 cational agency from families below the poverty
24 level as determined under paragraph (2);



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1 “(B) the number of children (determined
2 under paragraph (4) for either the preceding
3 year as described in that paragraph, or for the
4 second preceding year, as the Secretary finds
5 appropriate) aged 5 to 17, inclusive, in the
6 school district of such agency in institutions for
7 neglected and delinquent children (other than
8 such institutions operated by the United
9 States), but not counted pursuant to subpart 1
10 of part D for the purposes of a grant to a State
11 agency, or being supported in foster homes with
12 public funds; and

13 “(C) the number of children aged 5 to 17,
14 inclusive, in the school district of such agency
15 from families above the poverty level as deter-
16 mined under paragraph (4).

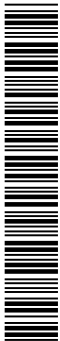
17 “(2) DETERMINATION OF NUMBER OF CHIL-
18 DREN.—For the purposes of this section, the Sec-
19 retary shall determine the number of children aged
20 5 to 17, inclusive, from families below the poverty
21 level on the basis of the most recent satisfactory
22 data, described in paragraph (3), available from the
23 Department of Commerce. The District of Columbia
24 and the Commonwealth of Puerto Rico shall be
25 treated as individual local educational agencies. If a



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1 local educational agency contains 2 or more counties
2 in their entirety, then each county will be treated as
3 if such county were a separate local educational
4 agency for purposes of calculating grants under this
5 part. The total of grants for such counties shall be
6 allocated to such a local educational agency, which
7 local educational agency shall distribute to schools in
8 each county within such agency a share of the local
9 educational agency's total grant that is no less than
10 the county's share of the population counts used to
11 calculate the local educational agency's grant.

12 “(3) POPULATION UPDATES.—In fiscal year
13 2001 and every 2 years thereafter, the Secretary
14 shall use updated data on the number of children,
15 aged 5 to 17, inclusive, from families below the pov-
16 erty level for local educational agencies or counties,
17 published by the Department of Commerce, unless
18 the Secretary and the Secretary of Commerce deter-
19 mine that use of the updated population data would
20 be inappropriate or unreliable. If the Secretary and
21 the Secretary of Commerce determine that some or
22 all of the data referred to in this paragraph are in-
23 appropriate or unreliable, they shall publicly disclose
24 their reasons. In determining the families which are
25 below the poverty level, the Secretary shall utilize



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1 the criteria of poverty used by the Bureau of the
2 Census in compiling the most recent decennial cen-
3 sus, in such form as those criteria have been up-
4 dated by increases in the Consumer Price Index for
5 all urban consumers, published by the Bureau of
6 Labor Statistics.

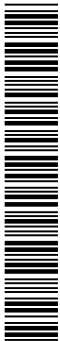
7 “(4) OTHER CHILDREN TO BE COUNTED.—For
8 the purposes of this section, the Secretary shall de-
9 termine the number of children aged 5 to 17, inclu-
10 sive, from families above the poverty level on the
11 basis of the number of such children from families
12 receiving an annual income, in excess of the current
13 criteria of poverty, from payments under a State
14 program funded under part A of title IV of the So-
15 cial Security Act; and in making such determina-
16 tions the Secretary shall utilize the criteria of pov-
17 erty used by the Bureau of the Census in compiling
18 the most recent decennial census for a family of 4
19 in such form as those criteria have been updated by
20 increases in the Consumer Price Index for all urban
21 consumers, published by the Bureau of Labor Statis-
22 tics. The Secretary shall determine the number of
23 such children and the number of children aged 5
24 through 17 living in institutions for neglected or de-
25 linquent children, or being supported in foster homes



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1 with public funds, on the basis of the caseload data
2 for the month of October of the preceding fiscal year
3 (using, in the case of children described in the pre-
4 ceding sentence, the criteria of poverty and the form
5 of such criteria required by such sentence which
6 were determined for the calendar year preceding
7 such month of October) or, to the extent that such
8 data are not available to the Secretary before Janu-
9 ary of the calendar year in which the Secretary's de-
10 termination is made, then on the basis of the most
11 recent reliable data available to the Secretary at the
12 time of such determination. The Secretary of Health
13 and Human Services shall collect and transmit the
14 information required by this subparagraph to the
15 Secretary not later than January 1 of each year.
16 For the purpose of this section, the Secretary shall
17 consider all children who are in correctional institu-
18 tions to be living in institutions for delinquent chil-
19 dren.

20 “(5) ESTIMATE.—When requested by the Sec-
21 retary, the Secretary of Commerce shall make a spe-
22 cial updated estimate of the number of children of
23 such ages who are from families below the poverty
24 level (as determined under subparagraph (A) of this
25 paragraph) in each school district, and the Secretary



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1 is authorized to pay (either in advance or by way of
2 reimbursement) the Secretary of Commerce the cost
3 of making this special estimate. The Secretary of
4 Commerce shall give consideration to any request of
5 the chief executive of a State for the collection of ad-
6 ditional census information.

7 “(d) STATE MINIMUM.—Notwithstanding section
8 1122, the aggregate amount allotted for all local edu-
9 cational agencies within a State may not be less than the
10 lesser of—

11 “(1) 0.25 percent of total grants under this sec-
12 tion; or

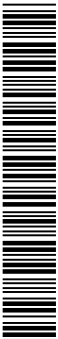
13 “(2) the average of—

14 “(A) one-quarter of 1 percent of the total
15 amount available for such fiscal year under this
16 section; and

17 “(B) the number of children in such State
18 counted under subsection (c) in the fiscal year
19 multiplied by 150 percent of the national aver-
20 age per-pupil payment made with funds avail-
21 able under this section for that year.

22 **“SEC. 1124A. CONCENTRATION GRANTS TO LOCAL EDU-**
23 **CATIONAL AGENCIES.**

24 “(a) ELIGIBILITY FOR AND AMOUNT OF GRANTS.—



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1 “(1) IN GENERAL.—(A) Except as otherwise
2 provided in this paragraph, each local educational
3 agency, in a State other than Guam, American
4 Samoa, the Virgin Islands, and the Commonwealth
5 of the Northern Mariana Islands, which is eligible
6 for a grant under section 1124 for any fiscal year
7 is eligible for an additional grant under this section
8 for that fiscal year if the number of children counted
9 under section 1124(c) in the agency exceeds either—

10 “(i) 6,500; or

11 “(ii) 15 percent of the total number of
12 children aged 5 through 17 in the agency.

13 “(B) Notwithstanding section 1122, no State
14 described in subparagraph (A) shall receive less than
15 the lesser of—

16 “(i) 0.25 percent of total grants; or

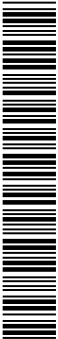
17 “(ii) the average of—

18 “(I) one-quarter of 1 percent of the
19 sums available to carry out this section for
20 such fiscal year; and

21 “(II) the greater of—

22 “(aa) \$340,000; or

23 “(bb) the number of children in
24 such State counted for purposes of
25 this section in that fiscal year multi-



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1 plied by 150 percent of the national
2 average per-pupil payment made with
3 funds available under this section for
4 that year.

5 “(2) SPECIAL RULE.—For each county or local
6 educational agency eligible to receive an additional
7 grant under this section for any fiscal year the Sec-
8 retary shall determine the product of—

9 “(A) the number of children counted under
10 section 1124(c) for that fiscal year; and

11 “(B) the quotient resulting from the divi-
12 sion of the amount determined for those agen-
13 cies under section 1124(a)(1) for the fiscal year
14 for which the determination is being made di-
15 vided by the total number of children counted
16 under section 1124(c) for that agency for that
17 fiscal year.

18 “(3) AMOUNT.—The amount of the additional
19 grant for which an eligible local educational agency
20 or county is eligible under this section for any fiscal
21 year shall be an amount which bears the same ratio
22 to the amount available to carry out this section for
23 that fiscal year as the product determined under
24 paragraph (2) for such local educational agency for
25 that fiscal year bears to the sum of such products



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1 for all local educational agencies in the United
2 States for that fiscal year.

3 “(4) LOCAL ALLOCATIONS.—(A) Grant
4 amounts under this section shall be determined in
5 accordance with section 1124(a)(2) and (3).

6 “(B) For any fiscal year for which the Sec-
7 retary allocates funds under this section on the basis
8 of counties, a State may reserve not more than 2
9 percent of its allocation under this section to make
10 grants to local educational agencies that meet the
11 criteria of paragraph (1)(A)(i) or (ii) and are in in-
12 eligible counties that do not meet these criteria.

13 “(b) STATES RECEIVING MINIMUM GRANTS.—In
14 States that receive the minimum grant under subsection
15 (a)(1)(B), the State educational agency shall allocate such
16 funds among the local educational agencies in each State
17 either—

18 “(1) in accordance with paragraphs (2) and (4)
19 of subsection (a); or

20 “(2) based on their respective concentrations
21 and numbers of children counted under section
22 1124(c), except that only those local educational
23 agencies with concentrations or numbers of children
24 counted under section 1124(c) that exceed the state-
25 wide average percentage of such children or the



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1 statewide average number of such children shall re-
2 ceive any funds on the basis of this paragraph.

3 **“SEC. 1125. TARGETED GRANTS TO LOCAL EDUCATIONAL**
4 **AGENCIES.**

5 “(a) ELIGIBILITY OF LOCAL EDUCATIONAL AGEN-
6 CIES.—A local educational agency in a State is eligible to
7 receive a targeted grant under this section for any fiscal
8 year if the number of children in the local educational
9 agency counted under subsection 1124(c), before applica-
10 tion of the weighting factor described in subsection (c),
11 is at least 10, and if the number of children counted for
12 grants under section 1124 is at least 5 percent of the total
13 population aged 5 to 17 years, inclusive, in the local edu-
14 cational agency. For each fiscal year for which the Sec-
15 retary uses county population data to calculate grants,
16 funds made available as a result of applying this sub-
17 section shall be reallocated by the State educational agen-
18 cy to other eligible local educational agencies in the State
19 in proportion to the distribution of other funds under this
20 section.

21 “(b) GRANTS FOR LOCAL EDUCATIONAL AGENCIES,
22 THE DISTRICT OF COLUMBIA, AND PUERTO RICO.—

23 “(1) IN GENERAL.—The amount of the grant
24 that a local educational agency in a State or that the



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1 District of Columbia is eligible to receive under this
2 section for any fiscal year shall be the product of—

3 “(A) the weighted child count determined
4 under subsection (c); and

5 “(B) the amount in paragraph
6 1124(a)(1)(B).

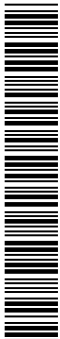
7 “(2) PUERTO RICO.—For each fiscal year, the
8 amount of the grant for which the Commonwealth of
9 Puerto Rico is eligible under this section shall be
10 equal to the number of children counted under sub-
11 section (c) for Puerto Rico, multiplied by the
12 amount determined in subparagraph 1124(a)(4).

13 “(c) WEIGHTED CHILD COUNT.—

14 “(1) WEIGHTS FOR ALLOCATIONS TO COUN-
15 TIES.—

16 “(A) IN GENERAL.—For each fiscal year
17 for which the Secretary uses county population
18 data to calculate grants, the weighted child
19 count used to determine a county’s allocation
20 under this section is the larger of the 2
21 amounts determined under clause (i) or (ii), as
22 follows:

23 “(i) BY PERCENTAGE OF CHIL-
24 DREN.—This amount is determined by
25 adding—



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1 “(I) the number of children de-
2 termined under section 1124(c) for
3 that county constituting up to 15 per-
4 cent, inclusive, of the county’s total
5 population aged 5 to 17, inclusive,
6 multiplied by 1.0;

7 “(II) the number of such children
8 constituting more than 15 percent,
9 but not more than 19 percent, of such
10 population, multiplied by 1.75;

11 “(III) the number of such chil-
12 dren constituting more than 19 per-
13 cent, but not more than 24.20 per-
14 cent, of such population, multiplied by
15 2.5;

16 “(IV) the number of such chil-
17 dren constituting more than 24.20
18 percent, but not more than 29.20 per-
19 cent, of such population, multiplied by
20 3.25; and

21 “(V) the number of such children
22 constituting more than 29.20 percent
23 of such population, multiplied by 4.0.

24 “(ii) BY NUMBER OF CHILDREN.—

25 This amount is determined by adding—



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1 “(I) the number of children de-
2 termined under section 1124(c) con-
3 stituting up to 2,311, inclusive, of the
4 county’s total population aged 5 to
5 17, inclusive, multiplied by 1.0;

6 “(II) the number of such children
7 between 2,312 and 7,913, inclusive, in
8 such population, multiplied by 1.5;

9 “(III) the number of such chil-
10 dren between 7,914 and 23,917, inclu-
11 sive, in such population, multiplied by
12 2.0;

13 “(IV) the number of such chil-
14 dren between 23,918 and 93,810, in-
15 clusive, in such population, multiplied
16 by 2.5; and

17 “(V) the number of such children
18 in excess of 93,811 in such popu-
19 lation, multiplied by 3.0.

20 “(B) PUERTO RICO.—Notwithstanding
21 subparagraph (A), the weighted child count for
22 Puerto Rico under this paragraph shall not be
23 greater than the total number of children
24 counted under subsection 1124(c) multiplied by
25 1.72.



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1 “(2) WEIGHTS FOR ALLOCATIONS TO LOCAL
2 EDUCATIONAL AGENCIES.—

3 “(A) IN GENERAL.—For each fiscal year
4 for which the Secretary uses local educational
5 agency data, the weighted child count used to
6 determine a local educational agency’s grant
7 under this section is the larger of the 2
8 amounts determined under clauses (i) and (ii),
9 as follows:

10 “(i) BY PERCENTAGE OF CHIL-
11 DREN.—This amount is determined by
12 adding—

13 “(I) the number of children de-
14 termined under section 1124(c) for
15 that local educational agency consti-
16 tuting up to 15.233 percent, inclusive,
17 of the agency’s total population aged
18 5 to 17, inclusive, multiplied by 1.0;

19 “(II) the number of such children
20 constituting more than 15.233 per-
21 cent, but not more than 22.706 per-
22 cent, of such population, multiplied by
23 1.75;

24 “(III) the number of such chil-
25 dren constituting more than 22.706



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1 percent, but not more than 32.213
2 percent, of such population, multiplied
3 by 2.5;

4 “(IV) the number of such chil-
5 dren constituting more than 32.213
6 percent, but not more than 41.452
7 percent, of such population, multiplied
8 by 3.25; and

9 “(V) the number of such children
10 constituting more than 41.452 percent
11 of such population, multiplied by 4.0.

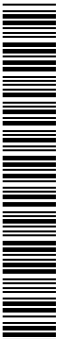
12 “(ii) BY NUMBER OF CHILDREN.—

13 This amount is determined by adding—

14 “(I) the number of children de-
15 termined under section 1124(c) con-
16 stituting up to 710, inclusive, of the
17 agency’s total population aged 5 to
18 17, inclusive, multiplied by 1.0;

19 “(II) the number of such children
20 between 711 and 2,384, inclusive, in
21 such population, multiplied by 1.5;

22 “(III) the number of such chil-
23 dren between 2,385 and 9,645, inclu-
24 sive, in such population, multiplied by
25 2.0;



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1 “(IV) the number of such chil-
2 dren between 9,646 and 54,600, inclu-
3 sive, in such population, multiplied by
4 2.5; and

5 “(V) the number of such children
6 in excess of 54,601 in such popu-
7 lation, multiplied by 3.0.

8 “(B) PUERTO RICO.—Notwithstanding
9 subparagraph (A), the weighted child count for
10 Puerto Rico under this paragraph shall not be
11 greater than the total number of children
12 counted under section 1124(c) multiplied by
13 1.72.

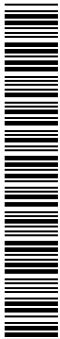
14 “(d) CALCULATION OF GRANT AMOUNTS.—Grants
15 under this section shall be calculated in accordance with
16 section 1124(a)(2) and (3).

17 “(e) STATE MINIMUM.—Notwithstanding any other
18 provision of this section or section 1122, from the total
19 amount available for any fiscal year to carry out this sec-
20 tion, each State shall be allotted at least the lesser of—

21 “(1) 0.25 percent of total appropriations; or

22 “(2) the average of—

23 “(A) one-quarter of 1 percent of the total
24 amount available to carry out this section; and



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1 “(B) 150 percent of the national average
2 grant under this section per child described in
3 section 1124(c), without application of a
4 weighting factor, multiplied by the State’s total
5 number of children described in section
6 1124(c), without application of a weighting fac-
7 tor.

8 **“SEC. 1126. SPECIAL ALLOCATION PROCEDURES.**

9 “(a) ALLOCATIONS FOR NEGLECTED CHILDREN.—

10 “(1) IN GENERAL.—If a State educational
11 agency determines that a local educational agency in
12 the State is unable or unwilling to provide for the
13 special educational needs of children who are living
14 in institutions for neglected children as described in
15 subparagraph (B) of section 1124(c)(1), the State
16 educational agency shall, if such agency assumes re-
17 sponsibility for the special educational needs of such
18 children, receive the portion of such local educational
19 agency’s allocation under sections 1124, 1124A, and
20 1125 that is attributable to such children.

21 “(2) SPECIAL RULE.—If the State educational
22 agency does not assume such responsibility, any
23 other State or local public agency that does assume
24 such responsibility shall receive that portion of the
25 local educational agency’s allocation.



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1 “(b) ALLOCATIONS AMONG LOCAL EDUCATIONAL
2 AGENCIES.—The State educational agency may allocate
3 the amounts of grants under sections 1124, 1124A, and
4 1125 among the affected local educational agencies—

5 “(1) if 2 or more local educational agencies
6 serve, in whole or in part, the same geographical
7 area;

8 “(2) if a local educational agency provides free
9 public education for children who reside in the
10 school district of another local educational agency;
11 or

12 “(3) to reflect the merger, creation, or change
13 of boundaries of 1 or more local educational agen-
14 cies.

15 “(c) REALLOCATION.—If a State educational agency
16 determines that the amount of a grant a local educational
17 agency would receive under sections 1124, 1124A, and
18 1125 is more than such local agency will use, the State
19 educational agency shall make the excess amount available
20 to other local educational agencies in the State that need
21 additional funds in accordance with criteria established by
22 the State educational agency.

23 **“SEC. 1127. CARRYOVER AND WAIVER.**

24 “(a) LIMITATION ON CARRYOVER.—Notwithstanding
25 section 421 of the General Education Provisions Act or



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1 any other provision of law, not more than 15 percent of
2 the funds allocated to a local educational agency for any
3 fiscal year under this subpart (but not including funds re-
4 ceived through any reallocation under this subpart) may
5 remain available for obligation by such agency for 1 addi-
6 tional fiscal year.

7 “(b) **WAIVER.**—A State educational agency may,
8 once every 3 years, waive the percentage limitation in sub-
9 section (a) if—

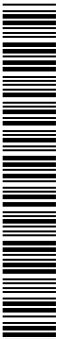
10 “(1) the agency determines that the request of
11 a local educational agency is reasonable and nec-
12 essary; or

13 “(2) supplemental appropriations for this sub-
14 part become available.

15 “(c) **EXCLUSION.**—The percentage limitation under
16 subsection (a) shall not apply to any local educational
17 agency that receives less than \$50,000 under this subpart
18 for any fiscal year.

19 **“SEC. 1128. SECULAR, NEUTRAL, AND NONIDEOLOGICAL.**

20 “Any school that receives funds under this part shall
21 ensure that educational services or other benefits provided
22 under this part, including materials and equipment, shall
23 be secular, neutral, and nonideological.”.



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1 **PART B—STUDENT READING SKILLS**

2 **IMPROVEMENT GRANTS**

3 **SEC. 111. READING FIRST; EARLY READING FIRST.**

4 Part B of title I (20 U.S.C. 6361 et seq.) is
5 amended—

6 (1) by striking the part heading and inserting
7 the following:

8 **“PART B—STUDENT READING SKILLS**

9 **IMPROVEMENT GRANTS”;**

10 (2) by redesignating sections 1201 through
11 1212 as sections 1231 through 1242, respectively;
12 and

13 (3) by inserting after the part heading the fol-
14 lowing:

15 **“Subpart 1—Reading First**

16 **“SEC. 1201. FINDINGS.**

17 “The Congress finds as follows:

18 “(1) The 1998 National Assessment of Edu-
19 cational Progress found that 68 percent of fourth
20 grade students in the United States are reading
21 below the proficient level.

22 “(2) That assessment also found that minority
23 students, on average, continue to lag far behind
24 their non-minority counterparts in reading pro-
25 ficiency.



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1 “(3) More than $\frac{1}{2}$ of the students placed in
2 special education classes are identified as learning
3 disabled and, for as many as 80 percent of the stu-
4 dents so identified, reading is the primary difficulty.

5 “(4) It is estimated that, at a minimum,
6 10,000,000 children have difficulty learning to read.
7 10 to 15 percent of those children eventually drop
8 out of high school, and only 2 percent complete a 4-
9 year program at an institution of higher education.

10 “(5) It is estimated that the number of children
11 who are typically identified as poor readers can be
12 significantly reduced through the implementation of
13 early identification and prevention programs that
14 are based on scientifically based reading research.

15 “(6) The report issued by the National Reading
16 Panel in 2000 found that the course of reading in-
17 struction that obtains maximum benefits for stu-
18 dents includes explicit and systematic instruction in
19 phonemic awareness, phonics, vocabulary develop-
20 ment, reading fluency, and reading comprehension
21 strategies.

22 **“SEC. 1202. PURPOSES.**

23 “The purposes of this subpart are as follows:

24 “(1) To provide assistance to States and local
25 educational agencies in establishing reading pro-



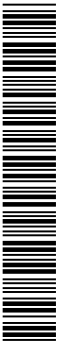
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1 grams for students in grades kindergarten through
2 3 that are based on scientifically based reading re-
3 search, in order to ensure that every student can
4 read at grade level or above by the end of the third
5 grade.

6 “(2) To provide assistance to States and local
7 educational agencies in preparing teachers, through
8 professional development and other support, so the
9 teachers can identify specific reading barriers facing
10 their students and so the teachers have the tools to
11 effectively help their students learn to read.

12 “(3) To provide assistance to States and local
13 educational agencies in selecting or developing rig-
14 orous diagnostic reading assessments that document
15 the effectiveness of this subpart in improving stu-
16 dents’ reading and in holding grant and subgrant re-
17 cipients accountable for their results.

18 “(4) To provide assistance to States and local
19 educational agencies in selecting or developing effec-
20 tive instructional materials, programs, and strategies
21 to implement scientific research-based methods that
22 have been proven to prevent or remediate reading
23 failure within a State or States.



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1 “(5) To strengthen coordination among schools
2 and early literacy programs in order to improve
3 reading achievement for all children.

4 **“SEC. 1203. FORMULA GRANTS TO STATES; COMPETITIVE**
5 **SUBGRANTS TO LOCAL AGENCIES.**

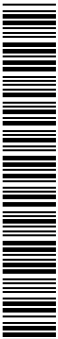
6 “(a) IN GENERAL.—

7 “(1) AUTHORIZATION TO MAKE GRANTS.—In
8 the case of each State that in accordance with sec-
9 tion 1204 submits to the Secretary an application
10 for a 5-year period, the Secretary, subject to the ap-
11 plication’s approval, shall make a grant to the State
12 for the uses specified in subsections (c) and (d). The
13 grant shall consist of the allotment determined for
14 the State under subsection (b).

15 “(2) DURATION OF GRANTS.—

16 “(A) IN GENERAL.—Subject to subpara-
17 graph (B), a grant under this section shall be
18 awarded for a period of not more than 5 years.

19 “(B) INTERIM REVIEW.—Not later than 60
20 days after the termination of the third year of
21 the grant period, each State receiving a grant
22 under this section shall submit a progress re-
23 port to the Secretary on the progress the State
24 and local educational agencies within the State
25 are making in reducing the number of students



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1 reading below grade level. The progress report
2 shall be reviewed by the peer review panel con-
3 vened under section 1204(c)(2). After the sub-
4 mission of this report, if the Secretary deter-
5 mines that the State is not making significant
6 progress in meeting the purposes of this sub-
7 part, the Secretary may withhold from the
8 State, in whole or in part, further payments
9 under this section in accordance with section
10 455 of the General Education Provisions Act
11 (20 U.S.C. 1234d) or take such other action
12 authorized by law as the Secretary deems nec-
13 essary, including providing technical assistance
14 upon request of the State.

15 “(b) DETERMINATION OF AMOUNT OF ALLOT-
16 MENTS.—

17 “(1) RESERVATIONS FROM APPROPRIATIONS.—
18 From the amounts appropriated under section
19 1002(b)(1) to carry out this subpart for a fiscal
20 year, the Secretary—

21 “(A) shall reserve $\frac{1}{2}$ of 1 percent for allot-
22 ments for the Virgin Islands, Guam, American
23 Samoa, and the Commonwealth of the Northern
24 Mariana Islands, to be distributed among these
25 outlying areas on the basis of their relative



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1 need, as determined by the Secretary in accord-
2 ance with the purposes of this subpart;

3 “(B) shall reserve $\frac{1}{2}$ of 1 percent for the
4 Secretary of the Interior for programs under
5 this subpart in schools operated or funded by
6 the Bureau of Indian Affairs;

7 “(C) may reserve not more than 1 percent
8 to carry out section 1207; and

9 “(D) shall reserve \$5,000,000 to carry sec-
10 tions 1208 and 1224.

11 “(2) STATE ALLOTMENTS.—From the total
12 amount made available under section 1002(b)(1) to
13 carry out this subpart for any fiscal year and not re-
14 served under paragraph (1), the Secretary shall allot
15 75 percent under this section among each of the 50
16 States, the District of Columbia, and the Common-
17 wealth of Puerto Rico.

18 “(3) DETERMINATION OF STATE ALLOTMENT
19 AMOUNTS.—

20 “(A) IN GENERAL.—Subject to subpara-
21 graph (B), the Secretary shall allot the amount
22 made available under paragraph (2) for a fiscal
23 year among the States in proportion to the
24 number of children, aged 5 to 17, who reside
25 within the State from families with incomes



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1 below the poverty line (as defined by the Office
2 of Management and Budget and revised annu-
3 ally in accordance with section 673(2) of the
4 Community Services Block Grant Act (42
5 U.S.C. 9902(2)) applicable to a family of the
6 size involved for the most recent fiscal year for
7 which satisfactory data are available, compared
8 to the number of such individuals who reside in
9 all such States for that fiscal year.

10 “(B) EXCEPTION.—No State receiving an
11 allotment under subparagraph (A) may receive
12 less than $\frac{1}{4}$ of 1 percent of the total amount
13 allotted under subparagraph (A).

14 “(4) REALLOTMENT.—If any State does not
15 apply for an allotment under this section for any fis-
16 cal year, or if the State’s application is not ap-
17 proved, the Secretary shall reallocate such amount to
18 the remaining States in accordance with paragraph
19 (3).

20 “(d) SUBGRANTS TO LOCAL EDUCATIONAL AGEN-
21 CIES.—

22 “(1) DISTRIBUTION OF SUBGRANTS.—The Sec-
23 retary may make a grant to a State under this sec-
24 tion only if the State agrees to expend at least 80
25 percent of the amount of the funds provided under



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1 the grant for the purpose of making, in accordance
2 with this subsection, competitive subgrants to local
3 educational agencies.

4 “(2) NOTICE.—A State receiving a grant under
5 this section shall provide notice to all local edu-
6 cational agencies in the State of the availability of
7 competitive subgrants under this subsection and of
8 the requirements for applying for the subgrants.

9 “(3) LOCAL APPLICATIONS.—To be eligible to
10 receive a subgrant under this subsection, a local edu-
11 cational agency shall submit an application to the
12 State at such time, in such manner, and containing
13 such information as the State may reasonably re-
14 quire.

15 “(4) PRIORITY FOR CERTAIN LOCAL AGEN-
16 CIES.—A State receiving a grant under this section
17 shall, in distributing subgrants to local educational
18 agencies, give priority to local educational agencies
19 that—

20 “(A) have a high percentage of students in
21 grades kindergarten through 3 reading below
22 grade level;

23 “(B) have jurisdiction over—

24 “(i) a geographic area that includes
25 an area designated as an empowerment



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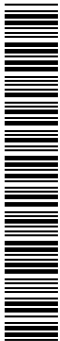
1 zone, or an enterprise community, under
2 part I of subchapter U of chapter 1 of the
3 Internal Revenue Code of 1986; or

4 “(ii) a significant number of schools
5 that are identified for school improvement
6 under section 1116(b); and

7 “(C) are located in areas having the great-
8 est numbers of children aged 5 through 17 liv-
9 ing in families below the poverty line, as defined
10 by the Office of Management and Budget and
11 revised annually in accordance with section
12 673(2) of the Community Services Block Grant
13 Act (42 U.S.C. 9902(2)).

14 “(5) STATE REQUIREMENT.—In distributing
15 subgrant funds to local educational agencies under
16 this subsection, a State shall provide funds in suffi-
17 cient concentrations to enable local educational
18 agencies to improve reading, as measured by scores
19 on rigorous diagnostic reading assessments.

20 “(6) PRIORITY FOR CERTAIN SCHOOLS.—In dis-
21 tributing subgrant funds under this subsection, a
22 local educational agency shall give priority to pro-
23 viding the funds to schools that—



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1 “(A) have a high percentage of students in
2 grades kindergarten through 3 reading below
3 grade level;

4 “(B) are identified for school improvement
5 under section 1116(b); and

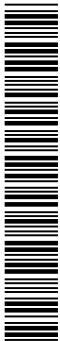
6 “(C) have the greatest numbers of children
7 aged 5 through 17 living in families below the
8 poverty line, as defined by the Office of Man-
9 agement and Budget and revised annually in
10 accordance with section 673(2) of the Commu-
11 nity Services Block Grant Act (42 U.S.C.
12 9902(2)).

13 “(7) LOCAL USES OF FUNDS.—Subject to para-
14 graph (8), a local educational agency that receives a
15 subgrant under this subsection shall use the funds
16 provided under the subgrant to carry out the fol-
17 lowing activities:

18 “(A) Selecting or developing, and admin-
19 istering, rigorous diagnostic reading assess-
20 ments.

21 “(B) Selecting and implementing a pro-
22 gram or programs of reading instruction based
23 on scientifically based reading research that—

24 “(i) includes the essential components
25 of reading instruction; and



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1 “(ii) provides such instruction to all
2 children, including children who—

3 “(I) may have reading difficul-
4 ties;

5 “(II) are at risk of being referred
6 to special education based on these
7 difficulties;

8 “(III) have been evaluated under
9 section 614 of the Individuals with
10 Disabilities Education Act but, in ac-
11 cordance with section 614(b)(5) of
12 such Act, have not been identified as
13 being a child with a disability (as de-
14 fined in section 602 of such Act);

15 “(IV) are being served under
16 such Act primarily due to being iden-
17 tified as being a child with a specific
18 learning disability (as defined in sec-
19 tion 602 of such Act) related to read-
20 ing;

21 “(V) are deficient in their pho-
22 nemic awareness and phonics skills; or

23 “(VI) are identified as having
24 limited English proficiency.



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1 “(C) Procuring instructional materials
2 based on scientifically based reading research.

3 “(D) Providing professional development
4 for teachers of grades kindergarten through 3
5 that—

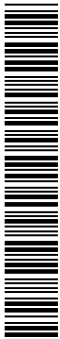
6 “(i) will prepare these teachers in all
7 of the essential components of reading in-
8 struction;

9 “(ii) shall include—

10 “(I) information, instructional
11 materials, programs, strategies, and
12 approaches based on scientifically
13 based reading research, including
14 early intervention and reading remedi-
15 ation materials, programs, and ap-
16 proaches; and

17 “(II) instruction in the use of
18 rigorous diagnostic reading assess-
19 ments and other procedures that ef-
20 fectively identify students who may be
21 at risk for reading failure or who are
22 having difficulty reading; and

23 “(iii) shall be provided by eligible pro-
24 fessional development providers.



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1 “(E) Providing training to individuals who
2 volunteer to be reading tutors for a student on
3 the essential components of reading instruction
4 to enable such volunteers to support instruc-
5 tional practices of the student’s teacher.

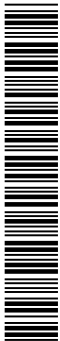
6 “(F) Providing instruction for parents of
7 children enrolled in a school selected to receive
8 assistance under this section, and for others
9 who volunteer to be reading tutors for such
10 children, in the instructional practices that are
11 based on scientifically based reading research
12 used by the applicant.

13 “(G) Assisting parents, through the use of
14 materials, programs, strategies, and approaches
15 that are based on scientifically based reading
16 research, to help support their children’s read-
17 ing development.

18 “(H) Collecting and summarizing data
19 from rigorous diagnostic reading assessments—

20 “(i) to document the effectiveness of
21 this subpart in individual schools and in
22 the local educational agency as a whole;
23 and

24 “(ii) to stimulate and accelerate im-
25 provement by identifying the schools that



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1 produce the largest gains in reading
2 achievement.

3 “(I) Reporting aggregated data described
4 in subparagraph (H) in a manner that protects
5 the privacy of individuals—

6 “(i) to the State; and

7 “(ii) to the public, including parents
8 and students, through such means as the
9 Internet and major print and broadcast
10 media outlets or other journal of public
11 record.

12 “(8) LOCAL PLANNING AND ADMINISTRA-
13 TION.—A local educational agency that receives a
14 subgrant under this subsection may use not more
15 than 2 percent of the funds provided under the
16 subgrant for planning and administration.

17 “(e) OTHER STATE USES OF FUNDS.—

18 “(1) PROFESSIONAL DEVELOPMENT.—

19 “(A) IN GENERAL.—A State that receives
20 a grant under this section may expend not more
21 than 15 percent of the amount of the funds
22 provided under the grant to develop and imple-
23 ment a program of professional development for
24 teachers of kindergarten through third grades
25 that—



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1 “(i) will prepare these teachers in all
2 of the essential components of reading in-
3 struction;

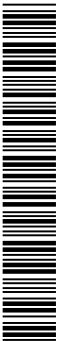
4 “(ii) shall include—

5 “(I) information on interventions,
6 instructional materials, programs, and
7 approaches based on scientifically
8 based reading research, including
9 early intervention and reading remedi-
10 ation materials, programs, and ap-
11 proaches; and

12 “(II) instruction in the use of
13 rigorous diagnostic reading assess-
14 ments and other procedures that ef-
15 fectively identify students who may be
16 at risk for reading failure or who are
17 having difficulty reading; and

18 “(iii) shall be provided by eligible pro-
19 fessional development providers.

20 “(B) FUNDS NOT USED FOR PROFES-
21 SIONAL DEVELOPMENT.—Any portion of the
22 funds described in subparagraph (A) that a
23 State does not expend to develop and implement
24 a program described in such subparagraph shall



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1 be expended for the purpose of making sub-
2 grants in accordance with subsection (c).

3 “(2) OTHER STATE-LEVEL ACTIVITIES.—A
4 State that receives a grant under this section may
5 expend not more than 3 percent of the amount of
6 the funds provided under the grant for one or more
7 of the following authorized State activities:

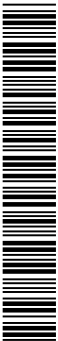
8 “(A) Assisting local educational agencies in
9 accomplishing the tasks required to design and
10 implement a program under this subpart,
11 including—

12 “(i) selecting and implementing a pro-
13 gram or programs of reading instruction
14 based on scientifically based reading re-
15 search;

16 “(ii) selecting or developing rigorous
17 diagnostic reading assessments; and

18 “(iii) identifying eligible professional
19 development providers to help prepare
20 reading teachers to teach students using
21 the programs and assessments described in
22 clauses (i) and (ii);

23 “(B) Providing to students in kindergarten
24 through third grades through alternative pro-
25 viders reading instruction that includes—



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1 “(i) rigorous diagnostic reading as-
2 sessments; and

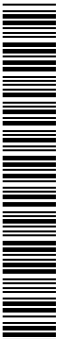
3 “(ii) as need is indicated by such as-
4 sessments, instruction based on scientif-
5 ically based reading research that includes
6 the essential components of reading in-
7 struction.

8 “(3) PLANNING, ADMINISTRATION, AND RE-
9 PORTING.—

10 “(A) IN GENERAL.—A State that receives
11 a grant under this section shall expend not
12 more than 2 percent of the amount of the funds
13 provided under the grant for the activities de-
14 scribed in this paragraph.

15 “(B) PLANNING AND ADMINISTRATION.—A
16 State that receives a grant under this section
17 may expend funds described in subparagraph
18 (A) for planning and administration relating to
19 the State uses of funds authorized under this
20 subpart, including the following:

21 “(i) Administering the distribution of
22 competitive subgrants to local educational
23 agencies under this section and sections
24 1205 and 1206.



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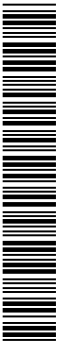
1 “(ii) Collecting and summarizing data
2 from rigorous diagnostic reading
3 assessments—

4 “(I) to document the effective-
5 ness of this subpart in individual local
6 educational agencies and in the State
7 as a whole; and

8 “(II) to stimulate and accelerate
9 improvement by identifying the local
10 educational agencies that produce the
11 largest gains in reading achievement.

12 “(C) ANNUAL REPORTING.—

13 “(i) IN GENERAL.—A State that re-
14 ceives a grant under this section shall ex-
15 pend funds provided under the grant to
16 provide the Secretary annually with a re-
17 port on the implementation of this subpart.
18 The report shall include evidence that the
19 State is fulfilling its obligations under this
20 subpart. The report shall also include the
21 data required under subsection (c)(7)(I) to
22 be reported to the State by local edu-
23 cational agencies. The report shall include
24 a specific identification of those local edu-



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1 cational agencies that report the largest
2 gains in reading achievement.

3 “(ii) PRIVACY PROTECTION.—Data in
4 the report shall be set forth in a manner
5 that protects the privacy of individuals.

6 “(iii) CONTRACT.—To the extent
7 practicable, a State shall enter into a con-
8 tract with an entity that conducts scientif-
9 ically based reading research, under which
10 contract the entity will produce the reports
11 required to be submitted under this sub-
12 paragraph.

13 **“SEC. 1204. STATE FORMULA GRANT APPLICATIONS.**

14 “(a) IN GENERAL.—A State that desires to receive
15 a grant under section 1203 shall submit an application
16 to the Secretary at such time and in such form as the
17 Secretary may require. The application shall contain the
18 information described in subsection (b).

19 “(b) CONTENTS.—An application under this section
20 shall contain the following:

21 “(1) An assurance that the Governor of the
22 State, in consultation with the State educational
23 agency, has established a reading partnership de-
24 scribed in subsection (d), and a description of how
25 such partnership—



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1 “(A) coordinated the development of the
2 application; and

3 “(B)) will assist in the oversight and eval-
4 uation of the State’s activities under this sub-
5 part.

6 “(2) An assurance that the State will submit to
7 the Secretary, at such time and in such manner as
8 the Secretary may reasonably require, a State plan
9 containing a description of a process—

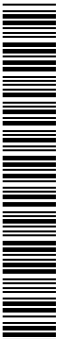
10 “(A) to evaluate programs carried out by
11 local educational agencies under this subpart;

12 “(B) to assist local educational agencies in
13 identifying rigorous diagnostic reading assess-
14 ments; and

15 “(C) to assist local educational agencies in
16 identifying interventions, and instructional ma-
17 terials, programs and approaches, based on sci-
18 entifically based reading research, including
19 early intervention and reading remediation ma-
20 terials, programs and approaches.

21 “(c) APPROVAL OF APPLICATIONS.—

22 “(1) IN GENERAL.—The Secretary, in consulta-
23 tion with the peer review panel convened under para-
24 graph (2), shall approve an application of a State



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1 under this section if such application meets the re-
2 quirements of this section.

3 “(2) PEER REVIEW.—

4 “(A) IN GENERAL.—The Secretary, in con-
5 sultation with the National Institute for Lit-
6 eracy, shall convene a panel to evaluate applica-
7 tions under this section. At a minimum, the
8 panel shall include—

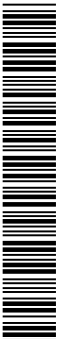
9 “(i) 3 individuals selected by the Sec-
10 retary;

11 “(ii) 3 individuals selected by the Na-
12 tional Institute for Literacy;

13 “(iii) 3 individuals selected by the Na-
14 tional Research Council of the National
15 Academy of Sciences; and

16 “(iv) 3 individuals selected by the Na-
17 tional Institute of Child Health and
18 Human Development.

19 “(B) EXPERTS.—The panel shall include
20 experts who are competent, by virtue of their
21 training, expertise, or experience, to evaluate
22 applications under this section, and experts who
23 provide professional development to teachers of
24 reading to children and adults, and experts who
25 provide professional development to other in-



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1 instructional staff, based on scientifically based
2 reading research.

3 “(C) RECOMMENDATIONS.—The panel
4 shall recommend grant applications from States
5 under this section to the Secretary for funding
6 or for disapproval.

7 “(d) READING PARTNERSHIPS.—

8 “(1) IN GENERAL.—In order for a State to re-
9 ceive a grant under section 1203, the Governor of
10 the State, in consultation with the State educational
11 agency, shall establish a reading partnership. The
12 partnership shall consist of the participants de-
13 scribed in paragraphs (2), (3), and (4).

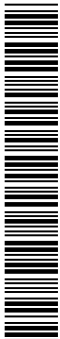
14 “(2) AUTOMATIC PARTICIPANTS.—The reading
15 partnership shall include the following participants:

16 “(A) The Governor of the State.

17 “(B) The chief State school officer.

18 “(C) The chairman and the ranking mem-
19 ber of each committee of the State legislature
20 that is responsible for elementary education.

21 “(3) APPOINTED BY GOVERNOR.—The following
22 members of the reading partnership shall be ap-
23 pointed by the Governor:



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1 “(A) Parents of public, private, or home
2 schooled students who are knowledgeable about
3 the essential components of reading instruction.

4 “(B) A representative of an institution of
5 higher education operating a program of teach-
6 er preparation in which prospective reading
7 teachers are being taught the essential compo-
8 nents of reading instruction.

9 “(C) A representative of a literacy volun-
10 teer organization where the essential compo-
11 nents of reading instruction are being taught to
12 students or adults.

13 “(D) A representative of a school.

14 “(E) A representative of a public library.

15 “(4) APPOINTED BY CHIEF SCHOOL OFFICER.—

16 The following members of the reading partnership
17 shall be appointed by the chief State school officer:

18 “(A) A teacher and reading specialist who
19 successfully teaches students to read using the
20 essential components of reading instruction.

21 “(B) Representatives of at least 2 local
22 educational agencies where the essential compo-
23 nents of reading instruction are being taught.



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1 “(C) A representative of a community-
2 based organization where the essential compo-
3 nents of reading instruction are being taught.

4 “(D) State directors of appropriate Fed-
5 eral or State programs where the essential com-
6 ponents of reading instruction are being taught,
7 especially in programs under part A and the In-
8 dividuals with Disabilities Education Act.

9 **“SEC. 1205. SUPPLEMENTAL GRANTS TO STATES; COMPETI-**
10 **TIVE SUBGRANTS TO LOCAL AGENCIES.**

11 “(a) IN GENERAL.—In the case of a State that in
12 accordance with subsection (c) submits to the Secretary
13 an application for fiscal year 2002 or 2003, the Secretary
14 may make a grant for the year to the State for the use
15 specified in subsection (d). The grant shall consist of the
16 allotment determined for the State under subsection (b).

17 “(b) DETERMINATION OF AMOUNT OF ALLOT-
18 MENT.—

19 “(1) IN GENERAL.—From the total amount
20 made available under section 1002(b)(1) to carry out
21 this subpart for any fiscal year referred to in sub-
22 section (a) that is not reserved under section
23 1203(b)(1), the Secretary may allot 25 percent
24 under this section among each of the 50 States, the



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1 District of Columbia, and the Commonwealth of
2 Puerto Rico.

3 “(2) STATE ALLOTMENTS.—In carrying out
4 paragraph (1), the Secretary may allot such funds
5 according to such criteria as the Secretary considers
6 appropriate and consistent with the purposes of this
7 subpart and based on the recommendations of the
8 peer review panel convened under section
9 1204(c)(2).

10 “(c) STATE APPLICATIONS.—

11 “(1) IN GENERAL.—A State that desires to re-
12 ceive a grant under this section shall submit an ap-
13 plication to the Secretary at such time, in such
14 form, and containing such information as the Sec-
15 retary may require.

16 “(2) PEER REVIEW.—The peer review panel
17 convened under section 1204(c)(2) shall evaluate
18 grant applications from States under this section.
19 The panel shall recommend such applications to the
20 Secretary for funding or for disapproval.

21 “(d) SUBGRANTS TO LOCAL EDUCATIONAL AGEN-
22 CIES.—

23 “(1) IN GENERAL.—The Secretary may make a
24 grant to a State under this section only if the State
25 agrees to expend 100 percent of the amount of the



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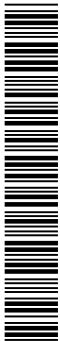
1 funds provided under the grant for the purpose of
2 making competitive subgrants in accordance with
3 this subsection to local educational agencies.

4 “(2) NOTICE.—A State receiving a grant under
5 this section shall provide notice to all local edu-
6 cational agencies in the State of the availability of
7 competitive subgrants under this subsection and of
8 the requirements for applying for the subgrants.

9 “(3) LOCAL APPLICATIONS.—To be eligible to
10 receive a subgrant under this subsection, a local edu-
11 cational agency shall submit an application to the
12 State at such time, in such manner, and containing
13 such information as the State may reasonably re-
14 quire.

15 “(4) DISTRIBUTION.—A State shall distribute
16 funds under this section according to such criteria
17 as the State considers appropriate and consistent
18 with the purposes of this subpart giving special at-
19 tention to those local educational agencies that are
20 making a good faith effort to improve reading skills
21 consistent with this subpart.

22 “(5) LOCAL USES OF FUNDS.—A local edu-
23 cational agency that receives a subgrant under this
24 subsection—



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1 “(A) shall use the funds provided under
2 the subgrant to carry out the activities de-
3 scribed in subparagraphs (A) through (D) of
4 section 1203(c)(7); and

5 “(B) may use such funds to carry out the
6 activities described in subparagraphs (E)
7 through (H) of such section.

8 “(e) SUNSET.—This section is repealed on September
9 30, 2003.

10 **“SEC. 1206. PERFORMANCE GRANTS TO STATES; COMPETI-**
11 **TIVE SUBGRANTS TO LOCAL AGENCIES.**

12 “(a) IN GENERAL.—In the case of a State that in
13 accordance with subsection (c) submits to the Secretary
14 an application for any fiscal year after fiscal year 2003,
15 the Secretary may make a grant for the year to the State
16 for the use specified in subsection (d). The grant shall con-
17 sist of the allotment determined for the State under sub-
18 section (b).

19 “(b) DETERMINATION OF AMOUNT OF ALLOT-
20 MENT.—

21 “(1) IN GENERAL.—From the total amount
22 made available under section 1002(b)(1) to carry out
23 this subpart for any fiscal year referred to in sub-
24 section (a) that is not reserved under section
25 1203(b)(1), the Secretary may allot 25 percent



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1 under this section among each of the 50 States, the
2 District of Columbia, and the Commonwealth of
3 Puerto Rico.

4 “(2) STATE ALLOTMENTS.—

5 “(A) IN GENERAL.—In carrying out para-
6 graph (1), the Secretary shall allot such funds
7 to those States that demonstrate the most ef-
8 fective implementation of this subpart, as deter-
9 mined by the peer review panel convened under
10 section 1204(c)(2) based upon the application
11 contents described in subsection (c)(3).

12 “(c) STATE APPLICATIONS.—

13 “(1) IN GENERAL.—A State that desires to re-
14 ceive a grant under this section shall submit an ap-
15 plication to the Secretary at such time and in such
16 form as the Secretary may require.

17 “(2) PEER REVIEW.—The peer review panel
18 convened under section 1204(c)(2) shall evaluate
19 grant applications from States under this section.
20 The panel shall recommend such applications to the
21 Secretary for funding or for disapproval.

22 “(3) APPLICATION CONTENTS.—A State that
23 desires to receive a grant under this section shall in-
24 clude in its application the following:



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1 “(A) Evidence that the State has carried
2 out its obligations under this subpart.

3 “(B) Evidence that the State has increased
4 significantly the percentage of students reading
5 at grade level or above by the end of the third
6 grade.

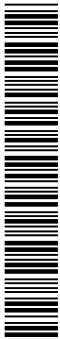
7 “(C) Evidence that the State has been suc-
8 cessful in reducing the reading deficit in terms
9 of the percentage of students in ethnic, racial,
10 and low-income populations who are reading at
11 grade level or above by the end of the third
12 grade.

13 “(D) A description of the criteria the State
14 intends to use in distributing subgrants to local
15 educational agencies under this section to con-
16 tinue or expand activities under this subpart.

17 “(E) Any additional evidence that dem-
18 onstrates success in the implementation of this
19 subpart.

20 “(d) SUBGRANTS TO LOCAL EDUCATIONAL AGEN-
21 CIES.—

22 “(1) IN GENERAL.—The Secretary may make a
23 grant to a State under this section only if the State
24 agrees to expend 100 percent of the amount of the
25 funds provided under the grant for the purpose of



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1 making competitive subgrants in accordance with
2 this subsection to local educational agencies.

3 “(2) NOTICE.—A State receiving a grant under
4 this section shall provide notice to all local edu-
5 cational agencies in the State of the availability of
6 competitive subgrants under this subsection and of
7 the requirements for applying for the subgrants.

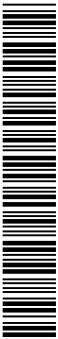
8 “(3) APPLICATION.—To be eligible to receive a
9 subgrant under this subsection, a local educational
10 agency shall submit an application to the State at
11 such time, in such manner, and containing such in-
12 formation as the State may reasonably require.

13 “(4) DISTRIBUTION.—A State shall distribute
14 funds under this section through a competitive proc-
15 ess based on the following criteria:

16 “(A) Evidence that a local educational
17 agency has carried out its obligations under this
18 subpart.

19 “(B) Evidence that a local educational
20 agency has increased significantly the percent-
21 age of students reading at grade level or above
22 by the end of the third grade.

23 “(C) Evidence that a local educational
24 agency has been successful in reducing the
25 reading deficit in terms of the percentage of



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1 students in ethnic, racial, and low-income popu-
2 lations who are reading at grade level or above
3 by the end of the third grade.

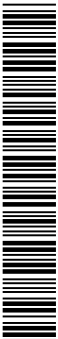
4 “(D) The description in such application of
5 how such funds will be used to support the con-
6 tinuation or expansion of the agency’s programs
7 under this subpart.

8 “(E) Evidence that the local educational
9 agency will work with other eligible local edu-
10 cational agencies in the State that have not re-
11 ceived a subgrant under this subsection to as-
12 sist such nonreceiving agencies in increasing the
13 reading achievement of students.

14 “(F) Any additional evidence in a local
15 educational agency’s application under para-
16 graph (3) that demonstrates success in the im-
17 plementation of this subpart.

18 “(5) LOCAL USES OF FUNDS.—A local edu-
19 cational agency that receives a subgrant under this
20 subsection—

21 “(A) shall use the funds provided under
22 the subgrant to carry out the activities de-
23 scribed in subparagraphs (A) through (D) of
24 section 1203(c)(7); and



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1 “(B) may use such funds to carry out the
2 activities described in subparagraphs (E)
3 through (H) of such section.

4 **“SEC. 1207. NATIONAL ACTIVITIES.**

5 From funds reserved under section 1203(b)(1)(C),
6 the Secretary—

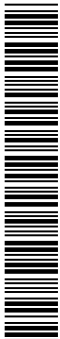
7 “(1) through grants or contracts, shall conduct
8 an evaluation of the program under this subpart
9 using criteria recommended by the peer review panel
10 convened under section 1204(c)(2); and

11 “(2) may provide technical assistance in achiev-
12 ing the purposes of this subpart to States, local edu-
13 cational agencies, and schools requesting such assist-
14 ance.

15 **“SEC. 1208. INFORMATION DISSEMINATION.**

16 “(a) IN GENERAL.—From funds reserved under sec-
17 tion 1203(b)(1)(D), the National Institute for Literacy,
18 in collaboration with the Secretary of Education, the Sec-
19 retary of Health and Human Services, and the Director
20 of the National Institute for Child Health and Human
21 Development—

22 “(1) shall disseminate information on scientif-
23 ically based reading research pertaining to children,
24 youth, and adults;



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1 “(2) shall identify and disseminate information
2 about schools, local educational agencies, and States
3 that effectively developed and implemented reading
4 programs that meet the requirements of this sub-
5 part, including those effective States, local edu-
6 cational agencies, and schools identified through the
7 evaluation and peer review provisions of this sub-
8 part; and

9 “(3) shall support the continued identification
10 and dissemination of information on programs that
11 contain the essential components of reading instruc-
12 tion as supported by scientifically based reading re-
13 search, that can lead to improved reading outcomes
14 for children, youth, and adults through evidence-
15 based assessments of the scientific research lit-
16 erature.

17 “(b) DISSEMINATION.—At a minimum, the National
18 Institute for Literacy shall disseminate such information
19 to recipients of Federal financial assistance under part A
20 of this title, part A of title III, the Head Start Act, the
21 Individuals with Disabilities Education Act, and the Adult
22 Education and Family Literacy Act. In carrying out this
23 section, the National Institute for Literacy shall, to the
24 extent practicable, utilize existing information and dis-



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1 semination networks developed and maintained through
2 other public and private entities.

3 “(c) USE OF FUNDS.—The National Institute for
4 Literacy may use not more than 5 percent of the funds
5 reserved under section 1203(b)(1)(D) for administrative
6 purposes directly related to carrying out the activities au-
7 thorized by this section.

8 **“SEC. 1209. DEFINITIONS.**

9 For purposes of this subpart:

10 “(1) ELIGIBLE PROFESSIONAL DEVELOPMENT
11 PROVIDER.—The term ‘eligible professional develop-
12 ment provider’ means a provider of professional de-
13 velopment in reading instruction to teachers that is
14 based on scientifically based reading research.

15 ‘(2) ESSENTIAL COMPONENTS OF READING IN-
16 STRUCTION.—The term ‘essential components of
17 reading instruction’ means explicit and systematic
18 instruction in—

19 “(A) phonemic awareness;

20 “(B) phonics;

21 “(C) vocabulary development;

22 “(D) oral reading fluency; and

23 “(E) reading comprehension strategies.

24 “(3) INSTRUCTIONAL STAFF.—The term ‘in-
25 structional staff’—



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1 “(A) means individuals who have responsi-
2 bility for teaching children to read; and

3 “(B) includes principals, teachers, super-
4 visors of instruction, librarians, library school
5 media specialists, teachers of academic subjects
6 other than reading, and other individuals who
7 have responsibility for assisting children to
8 learn to read.

9 “(4) READING.—The term ‘reading’ means a
10 complex system of deriving meaning from print that
11 requires all of the following:

12 “(A) The skills and knowledge to under-
13 stand how phonemes, or speech sounds, are
14 connected to print.

15 “(B) The ability to decode unfamiliar
16 words.

17 “(C) The ability to read fluently.

18 “(D) Sufficient background information
19 and vocabulary to foster reading comprehen-
20 sion.

21 “(E) The development of appropriate ac-
22 tive strategies to construct meaning from print.

23 “(F) The development and maintenance of
24 a motivation to read.



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1 “(5) RIGOROUS DIAGNOSTIC READING ASSESS-
2 MENTS.—The term ‘rigorous diagnostic reading as-
3 sessments’ means diagnostic reading assessments
4 that—

5 “(A) are valid, reliable, and based on sci-
6 entifically based reading research;

7 “(B) measure progress in developing pho-
8 nemic awareness and phonics skills, vocabulary,
9 reading fluency, and reading comprehension;
10 and

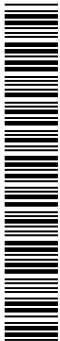
11 “(C) identify students who may be at risk
12 for reading failure or who are having difficulty
13 reading.

14 “(6) SCIENTIFICALLY BASED READING RE-
15 SEARCH.—The term ‘scientifically based reading
16 research’—

17 “(A) means the application of rigorous,
18 systematic, and objective procedures to obtain
19 valid knowledge relevant to reading develop-
20 ment, reading instruction, and reading difficul-
21 ties; and

22 “(B) shall include research that—

23 “(i) employs systematic, empirical
24 methods that draw on observation or ex-
25 periment;



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1 “(ii) involves rigorous data analyses
2 that are adequate to test the stated
3 hypotheses and justify the general conclu-
4 sions drawn;

5 “(iii) relies on measurements or obser-
6 vational methods that provide valid data
7 across evaluators and observers and across
8 multiple measurements and observations;
9 and

10 “(iv) has been accepted by a peer-re-
11 viewed journal or approved by a panel of
12 independent experts through a comparably
13 rigorous, objective, and scientific review.

14 **“Subpart 2—Early Reading First**

15 **“SEC. 1221. PURPOSES.**

16 “The purposes of this subpart are—

17 “(1) to improve prereading skills in children
18 aged 3 through 5, particularly those children from
19 low-income families, in high-quality oral language
20 and literature-rich environments;

21 “(2) to provide professional development for
22 early childhood teachers that prepares them with sci-
23 entific research-based knowledge of early reading de-
24 velopment to assist in developing the children’s—



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1 “(A) automatic recognition of the letters of
2 the alphabet;

3 “(B) understanding that spoken words are
4 made up of small segments of speech sounds
5 and that certain letters regularly represent such
6 speech sounds; and

7 “(C) spoken vocabulary and oral com-
8 prehension abilities;

9 “(3) to identify and provide scientific research-
10 based prereading language and literacy activities and
11 instructional materials that can be used to assist in
12 the development of prereading skills in children; and

13 “(4) to integrate such scientific research-based
14 instructional materials and literacy activities with
15 existing preschool programs, Head Start centers,
16 and family literacy services.

17 **“SEC. 1222. LOCAL EARLY READING FIRST GRANTS.**

18 “(a) PROGRAM AUTHORIZED.—From amounts ap-
19 propriated under section 1002(b)(2), the Secretary shall
20 make awards, on a competitive basis, for periods of not
21 more than 4 years, to eligible applicants to enable such
22 applicants to carry out activities that are consistent with
23 the purposes of this subpart.

24 “(b) DEFINITION OF ELIGIBLE APPLICANT.—In this
25 subpart, the term ‘eligible applicant’ means—



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1 “(1) a local educational agency;

2 “(2) one or more public or private organiza-
3 tions, acting on behalf of one or more programs that
4 serve preschool age children (such as a program at
5 a Head Start center or a family literacy program),
6 which organizations shall be located in a community
7 served by a local educational agency; or

8 “(3) one or more local educational agencies in
9 collaboration with one or more organizations de-
10 scribed in paragraph (2).

11 “(c) APPLICATIONS.—An eligible applicant that de-
12 sires to receive a grant under this section shall submit an
13 application to the Secretary which shall include a descrip-
14 tion of—

15 “(1) the programs to be served by the proposed
16 project, including general demographic and socio-
17 economic information on the communities in which
18 the proposed project will be administered;

19 “(2) how the proposed project will enhance the
20 school readiness of young children aged 3 through 5
21 in high-quality oral language and literature-rich en-
22 vironments;

23 “(3) how the proposed project will provide early
24 childhood teachers with scientific research-based
25 knowledge of early reading development and assist



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1 such teachers in developing the children's prereading
2 skills;

3 “(4) how the proposed project will provide serv-
4 ices and utilize instructional materials that are
5 based on scientifically based reading research on
6 early language acquisition, prereading activities, and
7 the development of spoken vocabulary skills;

8 “(5) how the proposed project will integrate
9 such instructional materials and literacy activities
10 with existing preschool programs and family literacy
11 services;

12 “(6) how the proposed project will help staff in
13 the programs to meet the diverse needs of children
14 in the community, including children with limited
15 English proficiency and children with learning dis-
16 abilities;

17 “(7) how the proposed project will help chil-
18 dren, particularly children experiencing difficulty
19 with spoken language, prereading, and early reading
20 skills, to make the transition from preschool to for-
21 mal classroom instruction in school;

22 “(8) how the activities conducted under this
23 subpart will be coordinated with the eligible appli-
24 cant's activities under subpart 1, if the applicant has



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1 received a subgrant under such subpart, at the kin-
2 dergarten through third grade levels;

3 “(9) how the proposed project will evaluate the
4 success of the activities supported under this sub-
5 part in enhancing the early language and reading
6 development of children served by the project; and

7 “(10) such other information as the Secretary
8 may require.

9 “(d) APPROVAL OF LOCAL APPLICATIONS.—The Sec-
10 retary shall select applicants for funding under this sub-
11 part on the basis of the quality of the applications and
12 based on the recommendations of the peer review panel
13 convened under section 1204(c)(2).

14 “(e) LOCAL USES OF FUNDS.—A local educational
15 agency that receives a grant under this subpart shall use
16 the funds provided under the grant to carry out the fol-
17 lowing activities:

18 “(1) To provide children aged 3 through 5 with
19 high-quality oral language and literature-rich envi-
20 ronments in which to acquire prereading skills.

21 “(2) To provide professional development for
22 early childhood teachers that prepares them with sci-
23 entific research-based knowledge of early reading de-
24 velopment to assist in developing the children’s—



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1 “(A) automatic recognition of the letters of
2 the alphabet;

3 “(B) understanding that spoken words are
4 made up of small segments of speech sounds
5 and that certain letters regularly represent such
6 speech sounds; and

7 “(C) spoken vocabulary and oral com-
8 prehension abilities.

9 “(3) To identify and provide scientific research-
10 based prereading language and literacy activities and
11 instructional materials for use in developing the
12 children’s—

13 “(A) automatic recognition of the letters of
14 the alphabet;

15 “(B) understanding that spoken words are
16 made up of small segments of speech sounds
17 and that certain letters regularly represent such
18 speech sounds; and

19 “(C) spoken vocabulary and oral com-
20 prehension abilities.

21 “(4) To integrate such instructional materials and lit-
22 eracy activities with existing Head Start centers, preschool
23 programs, and family literacy services.



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1 “(f) AWARD AMOUNTS.—The Secretary may estab-
2 lish a maximum award amount, or ranges of award
3 amounts, for grants under this subpart.

4 **“SEC. 1223. FEDERAL ADMINISTRATION.**

5 “The Secretary shall consult with the Secretary of
6 Health and Human Services in order to coordinate the ac-
7 tivities undertaken under this subpart with early childhood
8 programs administered by the Department of Health and
9 Human Services.

10 **“SEC. 1224. INFORMATION DISSEMINATION.**

11 “From funds reserved under section 1203(b)(1)(D),
12 the National Institute for Literacy, in consultation with
13 the Secretary, shall disseminate information regarding
14 projects assisted under this subpart that have proven ef-
15 fective.

16 **“SEC. 1225. REPORTING REQUIREMENTS**

17 “Each eligible applicant receiving a grant under this sub-
18 part shall report annually to the Secretary regarding the
19 eligible applicant’s progress in addressing the purposes of
20 this subpart.

21 **“SEC. 1226. EVALUATIONS.**

22 “From the total amount appropriated under section
23 1002(b)(2) for the period beginning October 1, 2002, and
24 ending September 30, 2006, the Secretary shall reserve



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1 not more than \$1,000,000 to conduct an independent eval-
2 uation of the effectiveness of this subpart.

3 **“SEC. 1227. ADDITIONAL RESEARCH.**

4 “From the amount appropriated under section
5 1002(b)(2) for each of the fiscal years 2002 through 2006,
6 the Secretary shall reserve not more than \$3,000,000 to
7 conduct, in consultation with the National Institute for
8 Child Health and Human Development, the National In-
9 stitute for Literacy, and the Department of Health and
10 Human Services, additional research on language and lit-
11 eracy development for children aged 3 through 5.”.

12 **SEC. 112. AMENDMENTS TO EVEN START.**

13 Part B of title I (20 U.S.C. 6361 et seq.), as amend-
14 ed by section 111, is further amended—

15 (1) by inserting before section 1231 (as so re-
16 designated by section 111) the following:

17 **“Subpart 3—William F. Goodling Even Start Family**
18 **Literacy Programs”;**

19 (2) in each of sections 1231 through 1242 (as
20 so redesignated by section 111)—

21 (A) by striking “this part” each place such
22 term appears and inserting “this subpart”; and

23 (B) by striking “1002(b)” each place such
24 term appears and inserting “1002(b)(3)”;



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1 (3) in section 1231(4), by striking “2252)” and
2 inserting “1209)”;

3 (4) in section 1232—

4 (A) in subsection (b)—

5 (i) in paragraph (1)(A), by striking
6 “1209;” and inserting “1239;”; and

7 (ii) in paragraph (2), by striking
8 “1211(b)” each place such term appears
9 and inserting “1241(b)”;

10 (B) in subsection (c)—

11 (i) by amending paragraph (2)(C) to
12 read as follows:

13 “(C) COORDINATION WITH SUBPART 1.—

14 The consortium shall coordinate its activities
15 with the activities of the reading partnership
16 for the State established under section 1204(d),
17 if the State receives a grant under section
18 1203.”; and

19 (ii) in paragraph (3), by striking
20 “2252).” and inserting “1209).”;

21 (5) in section 1233—

22 (A) by striking “1202(d)(1)” each place
23 such term appears and inserting “1232(d)(1)”;
24 and



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1 (B) by striking “1210.” and inserting
2 “1240.”;

3 (6) in section 1234—

4 (A) in subsection (b)—

5 (i) in paragraph (1)(A), by moving
6 the margins of clauses (v) and (vi) 2 ems
7 to the right; and

8 (ii) in paragraph (3), by striking
9 “1202(a)(1)(C)” and inserting
10 “1232(a)(1)(C)”; and

11 (B) in subsection (c)—

12 (i) in paragraph (1)—

13 (I) by striking “1203(a),” and
14 inserting “1233(a),”; and

15 (II) by striking “1203(b)” and
16 inserting “1233(b)”; and

17 (ii) in paragraph (2), by striking
18 “1210.” and inserting “1240.”;

19 (7) in section 1235—

20 (A) in paragraph (10), by striking “2252)”
21 and inserting “1209”;

22 (B) in paragraph (12), by striking
23 “2252),” and inserting “1209),”; and



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1 (C) in paragraph (15), by striking “pro-
2 gram.” and inserting “program to be used for
3 program improvement.”;

4 (8) in section 1237—

5 (A) in subsection (c)(1)—

6 (i) in subparagraph (B), by striking
7 “1205;” and inserting “1235;”; and

8 (ii) in subparagraph (F), by striking
9 “14306;” and inserting “8306;”; and

10 (B) in subsection (d), by striking “14302.”
11 and inserting “8302.”;

12 (9) in section 1238—

13 (A) in subsection (a)(1)—

14 (i) in subparagraph (A)(ii), by strik-
15 ing “1205;” and inserting “1235;”; and

16 (ii) in subparagraph (F), by striking
17 “1204(b);” and inserting “1234(b);”; and

18 (B) in subsection (b)—

19 (i) in paragraph (3)—

20 (I) by striking “1207(c)(1)(A)”
21 and inserting “1237(c)(1)(A)”; and

22 (II) by striking “1210.” and in-
23 serting “1240.”;

24 (ii) in paragraph (4), by striking
25 “1210,” and inserting “1240,”; and



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- 1 (iii) in paragraph (5)(B), by striking
2 “1204(b).” and inserting “1234(b).”;
3 (10) in section 1239—
4 (A) by striking “1202(b)(1),” and insert-
5 ing “1232(b)(1),”; and
6 (B) by striking “1205(10)” and inserting
7 “1235(10)”; and
8 (11) in section 1241—
9 (A) in subsection (b)(1)—
10 (i) by striking “1202(b)(2),” and in-
11 serting “1232(b)(2),”; and
12 (ii) by striking “2252);” and inserting
13 “1209);”; and
14 (B) in subsection (c), by striking “2258,”
15 and inserting “1208,”.

16 PART C—EDUCATION OF MIGRATORY CHILDREN**17 SEC. 121. STATE ALLOCATIONS.**

18 Section 1303 (20 U.S.C. 6393) is amended—

19 (1) by amending subsection (a) to read as fol-
20 lows:

21 “(a) STATE ALLOCATIONS.—

22 “(1) FISCAL YEAR 2002.—For fiscal year 2002,
23 each State (other than the Commonwealth of Puerto
24 Rico) is entitled to receive under this part an
25 amount equal to—



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1 “(A) the sum of the estimated number of
2 migratory children aged three through 21 who
3 reside in the State full time and the full-time
4 equivalent of the estimated number of migra-
5 tory children aged three through 21 who reside
6 in the State part time, as determined in accord-
7 ance with subsection (e); multiplied by

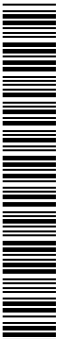
8 “(B) 40 percent of the average per-pupil
9 expenditure in the State, except that the
10 amount determined under this paragraph shall
11 not be less than 32 percent, nor more than 48
12 percent, of the average expenditure per pupil in
13 the United States.

14 “(2) SUBSEQUENT YEARS.—

15 “(A) BASE AMOUNT.—

16 “(i) IN GENERAL.—Except as pro-
17 vided in subsection (b) and clause (ii), each
18 State (other than the Commonwealth of
19 Puerto Rico) is entitled to receive under
20 this part, for fiscal year 2003 and suc-
21 ceeding fiscal years, an amount equal to—

22 “(I) the amount that such State
23 received under this part for fiscal year
24 2002; plus



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1 “(II) the amount allocated to the
2 State under subparagraph (B).

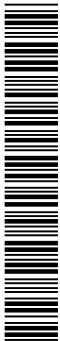
3 “(ii) NONPARTICIPATING STATES.—In
4 the case of a State (other than the Com-
5 monwealth of Puerto Rico) that did not re-
6 ceive any funds for fiscal year 2002 under
7 this part, the State shall receive, for fiscal
8 year 2003 and succeeding fiscal years, an
9 amount equal to—

10 “(I) the amount that such State
11 would have received under this part
12 for fiscal year 2002 if its application
13 under section 1304 for the year had
14 been approved; plus

15 “(II) the amount allocated to the
16 State under subparagraph (B).

17 “(B) ALLOCATION OF ADDITIONAL
18 AMOUNT.—For fiscal year 2003 and succeeding
19 fiscal years, the amount (if any) by which the
20 funds appropriated to carry out this part for
21 the year exceed such funds for fiscal year 2002
22 shall be allocated to a State (other than the
23 Commonwealth of Puerto Rico) so that the
24 State receives an amount equal to—

25 “(i) the sum of—



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1 “(I) the number of identified eli-
2 gible migratory children, aged 3
3 through 21, residing in the State dur-
4 ing the previous year; and

5 “(II) the number of identified eli-
6 gible migratory children, aged 3
7 through 21, who received services
8 under this part in summer or interse-
9 sion programs provided by the State
10 during such year; multiplied by

11 “(ii) 40 percent of the average per-
12 pupil expenditure in the State, except that
13 the amount determined under this clause
14 may not be less than 32 percent, or more
15 than 48 percent, of the average per-pupil
16 expenditure in the United States.”;

17 (2) by amending subsection (b) to read as fol-
18 lows:

19 “(b) ALLOCATION TO PUERTO RICO.—

20 “(1) IN GENERAL.—For each fiscal year, the
21 grant which the Commonwealth of Puerto Rico shall
22 be eligible to receive under this part shall be the
23 amount determined by multiplying the number of
24 children counted under subsection (a)(1)(A) for the
25 Commonwealth of Puerto Rico by the product of—



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1 “(A) the percentage which the average per
2 pupil expenditure in the Commonwealth of
3 Puerto Rico is of the lowest average per pupil
4 expenditure of any of the 50 States; and

5 “(B) 32 percent of the average per pupil
6 expenditure in the United States.

7 “(2) MINIMUM PERCENTAGE.—The percentage
8 in paragraph (1)(A) shall not be less than—

9 “(A) for fiscal year 2002, 77.5 percent;

10 “(B) for fiscal year 2003, 80.0 percent;

11 “(C) for fiscal year 2004, 82.5 percent;

12 and

13 “(D) for fiscal year 2005 and succeeding
14 fiscal years, 85.0 percent.

15 “(3) LIMITATION.—If the application of para-
16 graph (2) would result in any of the 50 States or
17 the District of Columbia receiving less under this
18 part than it received under this part for the pre-
19 ceding fiscal year, the percentage in paragraph (1)
20 shall be the greater of the percentage in paragraph
21 (1)(A) or the percentage used for the preceding fis-
22 cal year.”; and

23 (3) by striking subsections (d) and (e).



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1 **SEC. 122. STATE APPLICATIONS; SERVICES.**

2 (a) PROGRAM INFORMATION.—Section 1304(b) (20
3 U.S.C. 6394(b)) is amended—

4 (1) in paragraph (1), by striking “addressed
5 through” and all that follows through the semicolon
6 at the end and inserting the following:

7 “addressed through—

8 “(A) the full range of services that are
9 available for migratory children from appro-
10 priate local, State, and Federal educational pro-
11 grams;

12 “(B) joint planning among local, State,
13 and Federal educational programs serving mi-
14 grant children, including programs under part
15 A of title III;

16 “(C) the integration of services available
17 under this part with services provided by those
18 other programs; and

19 “(D) measurable program goals and out-
20 comes;”;

21 (2) in paragraph (5), by striking “the require-
22 ments of paragraph (1); and” and inserting “the
23 numbers and needs of migratory children, the re-
24 quirements of subsection (d), and the availability of
25 funds from other Federal, State, and local pro-
26 grams;”;



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1 (3) in paragraph (6), by striking the period at
2 the end and inserting “; and”.

3 (b) ASSURANCES.—Section 1304(c) (20 U.S.C.
4 6394(c)) is amended—

5 (1) in paragraph (1), by striking “1306(b)(1);”
6 and inserting “1306(a);”;

7 (2) in paragraph (2), by striking “part F;” and
8 inserting “part H;”

9 (3) in paragraph (3)—

10 (A) by striking “appropriate”;

11 (B) by striking “out, to the extent fea-
12 sible,” and inserting “out”; and

13 (C) by striking “1118;” and inserting
14 “1118, unless extraordinary circumstances
15 make implementation consistent with such sec-
16 tion impractical;”; and

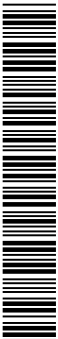
17 (4) in paragraph (7), by striking “section
18 1303(e)” and inserting “paragraphs (1)(A) and
19 (2)(B)(i) of section 1303(a)”.

20 **SEC. 123. AUTHORIZED ACTIVITIES.**

21 Section 1306 (20 U.S.C. 6396) is amended to read
22 as follows:

23 **“SEC. 1306. AUTHORIZED ACTIVITIES.**

24 **“(a) IN GENERAL.—**



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1 “(1) FLEXIBILITY.—Each State educational
2 agency, through its local educational agencies, shall
3 have the flexibility to determine the activities to be
4 provided with funds made available under this part,
5 except that such funds shall first be used to meet
6 the identified needs of migratory children that result
7 from their migratory lifestyle, and to permit these
8 children to participate effectively in school.

9 “(2) UNADDRESSED NEEDS.—Funds provided
10 under this part shall be used to address the needs
11 of migratory children that are not addressed by serv-
12 ices available from other Federal or non-Federal
13 programs, except that migratory children who are el-
14 igible to receive services under part A of this title
15 may receive those services through funds provided
16 under that part, or through funds under this part
17 that remain after the agency addresses the needs de-
18 scribed in paragraph (1).

19 “(b) CONSTRUCTION.—Nothing in this part shall be
20 construed to prohibit a local educational agency from serv-
21 ing migratory children simultaneously with students with
22 similar educational needs in the same educational settings,
23 where appropriate.

24 “(c) SPECIAL RULE.—Notwithstanding section 1114,
25 a school that receives funds under this part shall continue



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1 to address the identified needs described in subsection
2 (a)(1).”.

3 **SEC. 124. COORDINATION OF MIGRANT EDUCATION ACTIVI-**
4 **TIES.**

5 (a) DURATION.—Section 1308(a)(2) (20 U.S.C.
6 6398(a)(2)) is amended by striking “subpart” and insert-
7 ing “subsection”.

8 (b) STUDENT RECORDS.—Section 1308(b) (20
9 U.S.C. 6398(b)) is amended to read as follows:

10 “(b) STUDENT RECORDS.—

11 “(1) ASSISTANCE.—The Secretary shall assist
12 States in developing effective methods for the trans-
13 fer of student records and in determining the num-
14 ber of migratory children in each State. The Sec-
15 retary, in consultation with the States, shall deter-
16 mine the minimum data elements that each State re-
17 ceiving funds under this part shall collect and main-
18 tain. The Secretary shall assist States to implement
19 a system of linking their student record transfer sys-
20 tems for the purpose of electronic records mainte-
21 nance and transfer for migrant students.

22 “(2) NO COST FOR CERTAIN TRANSFERS.—A
23 State educational agency or local educational agency
24 receiving assistance under this part shall make stu-
25 dent records available to another State or local edu-



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1 cational agency that requests the records at no cost
2 to the requesting agency, if the request is made in
3 order to meet the needs of a migratory child.”.

4 (c) AVAILABILITY OF FUNDS.—Section 1308(c) (20
5 U.S.C. 6398(c)) is amended by striking “\$6,000,000” and
6 inserting “\$10,000,000”.

7 (d) INCENTIVE GRANTS.—Section 1308(d) (20
8 U.S.C. 6398(d)) is amended to read as follows:

9 “(d) INCENTIVE GRANTS.—From the amounts made
10 available to carry out this section for any fiscal year, the
11 Secretary may reserve not more than \$3,000,000 to award
12 grants of not more than \$250,000 on a competitive basis
13 to State educational agencies that propose a consortium
14 arrangement with another State or other appropriate enti-
15 ty that the Secretary determines, pursuant to criteria that
16 the Secretary shall establish, will improve the delivery of
17 services to migratory children whose education is inter-
18 rupted.”.

19 **PART D—NEGLECTED OR DELINQUENT YOUTH**

20 **SEC. 131. NEGLECTED OR DELINQUENT YOUTH.**

21 The heading for part D of title I is amended to read
22 as follows:



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1 **“PART D—PREVENTION AND INTERVENTION**
2 **PROGRAMS FOR NEGLECTED OR DELIN-**
3 **QUENT CHILDREN AND YOUTH”.**

4 **SEC. 132. FINDINGS.**

5 Section 1401(a) (20 U.S.C. 6421(a)) is amended by
6 striking paragraphs (6) through (9) and inserting the fol-
7 lowing:

8 “(6) Youth returning from correctional facilities
9 need to be involved in programs that provide them
10 with high-level skills and other support to help them
11 stay in school and complete their education.

12 “(7) Pregnant and parenting teenagers are a
13 high-at-risk group for dropping out of school and
14 should be targeted by dropout prevention pro-
15 grams.”.

16 **SEC. 133. ALLOCATION OF FUNDS.**

17 Section 1412(b) (20 U.S.C. 6432(b)) is amended to
18 read as follows:

19 “(b) SUBGRANTS TO STATE AGENCIES IN PUERTO
20 RICO.—

21 “(1) IN GENERAL.—For each fiscal year, the
22 amount of the subgrant which a State agency in the
23 Commonwealth of Puerto Rico shall be eligible to re-
24 ceive under this part shall be the amount determined
25 by multiplying the number of children counted under



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1 subparagraph (a)(1)(A) for the Commonwealth of
2 Puerto Rico by the product of—

3 “(A) the percentage which the average per-
4 pupil expenditure in the Commonwealth of
5 Puerto Rico is of the lowest average per-pupil
6 expenditure of any of the 50 States; and

7 “(B) 32 percent of the average per-pupil
8 expenditure in the United States.

9 “(2) MINIMUM PERCENTAGE.—The percentage
10 in paragraph (1)(A) shall not be less than—

11 “(A) for fiscal year 2002, 77.5 percent;

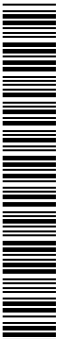
12 “(B) for fiscal year 2003, 80.0 percent;

13 “(C) for fiscal year 2004, 82.5 percent;

14 and

15 “(D) for fiscal year 2005 and succeeding
16 fiscal years, 85.0 percent.

17 “(3) LIMITATION.—If the application of para-
18 graph (2) would result in any of the 50 States or
19 the District of Columbia receiving less under this
20 part than it received under this part for the pre-
21 ceding fiscal year, the percentage in paragraph (1)
22 shall be the greater of the percentage in paragraph
23 (1)(A) or the percentage used for the preceding fis-
24 cal year.”.



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1 **SEC. 134. STATE PLAN AND STATE AGENCY APPLICATIONS.**

2 Section 1414 (20 U.S.C. 6434) is amended to read
3 as follows:

4 **“SEC. 1414. STATE PLAN AND STATE AGENCY APPLICA-**
5 **TIONS.**

6 “(a) STATE PLAN.—

7 “(1) IN GENERAL.—Each State educational
8 agency that desires to receive a grant under this
9 part shall submit, for approval by the Secretary, a
10 plan for meeting the educational needs of neglected
11 and delinquent youth, for assisting in their transi-
12 tion from institutions to locally operated programs,
13 and which is integrated with other programs under
14 this Act or other Acts, as appropriate, consistent
15 with section 8306.

16 “(2) CONTENTS.—Each such State plan shall—

17 “(A) describe the program goals, objec-
18 tives, and performance measures established by
19 the State that will be used to assess the effec-
20 tiveness of the program in improving academic
21 and vocational and technical skills of children in
22 the program;

23 “(B) provide that, to the extent feasible,
24 such children will have the same opportunities
25 to learn as such children would have if such



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1 children were in the schools of local educational
2 agencies in the State; and

3 “(C) contain assurances that the State
4 educational agency will—

5 “(i) ensure that programs assisted
6 under this part will be carried out in ac-
7 cordance with the State plan described in
8 this subsection;

9 “(ii) carry out the evaluation require-
10 ments of section 1416;

11 “(iii) ensure that the State agencies
12 receiving subgrants under this subpart
13 comply with all applicable statutory and
14 regulatory requirements; and

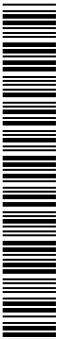
15 “(iv) provide such other information
16 as the Secretary may reasonably require.

17 “(3) DURATION OF THE PLAN.—Each such
18 State plan shall—

19 “(A) remain in effect for the duration of
20 the State’s participation under this part; and

21 “(B) be periodically reviewed and revised
22 by the State, as necessary, to reflect changes in
23 the State’s strategies and programs under this
24 part.

25 “(b) SECRETARIAL APPROVAL AND PEER REVIEW.—



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1 “(1) SECRETARIAL APPROVAL.—The Secretary
2 shall approve each State plan that meets the re-
3 quirements of this part.

4 “(2) PEER REVIEW.—The Secretary may review
5 any State plan with the assistance and advice of in-
6 dividuals with relevant expertise.

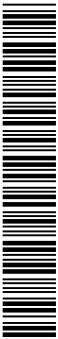
7 “(c) STATE AGENCY APPLICATIONS.—Any State
8 agency that desires to receive funds to carry out a pro-
9 gram under this part shall submit an application to the
10 State educational agency that—

11 “(1) describes the procedures to be used, con-
12 sistent with the State plan under section 1111, to
13 assess the educational needs of the children to be
14 served;

15 “(2) provides assurances that in making serv-
16 ices available to youth in adult correctional facilities,
17 priority will be given to such youth who are likely to
18 complete incarceration within a 2-year period;

19 “(3) describes the program, including a budget
20 for the first year of the program, with annual up-
21 dates to be provided to the State educational agency;

22 “(4) describes how the program will meet the
23 goals and objectives of the State plan under this
24 subpart;



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1 “(5) describes how the State agency will consult
2 with experts and provide the necessary training for
3 appropriate staff, to ensure that the planning and
4 operation of institution-wide projects under section
5 1416 are of high quality;

6 “(6) describes how the agency will carry out the
7 evaluation requirements of section 8651 and how the
8 results of the most recent evaluation are used to
9 plan and improve the program;

10 “(7) includes data showing that the agency has
11 maintained fiscal effort required of a local edu-
12 cational agency, in accordance with section 8501;

13 “(8) describes how the programs will be coordi-
14 nated with other appropriate State and Federal pro-
15 grams, such as programs under title I of the Work-
16 force Investment Act of 1998 (29 U.S.C. 2801 et
17 seq.), vocational and technical education programs,
18 State and local dropout prevention programs, and
19 special education programs;

20 “(9) describes how States will encourage correc-
21 tional facilities receiving funds under this subpart to
22 coordinate with local educational agencies or alter-
23 native education programs attended by incarcerated
24 youth prior to their incarceration to ensure that stu-
25 dent assessments and appropriate academic records



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1 are shared jointly between the correctional facility
2 and the local educational agency or alternative edu-
3 cation program;

4 “(10) describes how appropriate professional
5 development will be provided to teachers and other
6 staff;

7 “(11) designates an individual in each affected
8 institution to be responsible for issues relating to the
9 transition of children and youth from the institution
10 to locally operated programs;

11 “(12) describes how the agency will endeavor to
12 coordinate with businesses for training and men-
13 toring for participating youth;

14 “(13) provides assurances that the agency will
15 assist in locating alternative programs through
16 which students can continue their education if stu-
17 dents are not returning to school after leaving the
18 correctional facility;

19 “(14) provides assurances that the agency will
20 work with parents to secure parents’ assistance in
21 improving the educational achievement of their chil-
22 dren and preventing their children’s further involve-
23 ment in delinquent activities;

24 “(15) provides assurances that the agency
25 works with special education youth in order to meet



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1 an existing individualized education program and an
2 assurance that the agency will notify the youth's
3 local school if such youth—

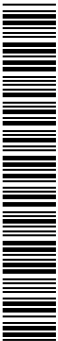
4 “(A) is identified as in need of special edu-
5 cation services while the youth is in the facility;
6 and

7 “(B) intends to return to the local school;

8 “(16) provides assurances that the agency will
9 work with youth who dropped out of school before
10 entering the facility to encourage the youth to reen-
11 ter school once the term of incarceration has been
12 completed or provide the youth with the skills nec-
13 essary to gain employment, continue the education
14 of the youth, or achieve a secondary school diploma
15 or the recognized equivalent if the youth does not in-
16 tend to return to school;

17 “(17) provides assurances that teachers and
18 other qualified staff are also trained to work with
19 children with disabilities and other students with
20 special needs, taking into consideration the unique
21 needs of such students;

22 “(18) describes any additional services to be
23 provided to youth, such as career counseling, dis-
24 tance learning, and assistance in securing student
25 loans and grants; and



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1 “(19) provides assurances that the program
2 under this subpart will be coordinated with any pro-
3 grams operated under the Juvenile Justice and De-
4 linquency Prevention Act of 1974 (42 U.S.C. 5601
5 et seq.) or other comparable programs, if applica-
6 ble.”.

7 **SEC. 135. USE OF FUNDS.**

8 Section 1415(a) (20 U.S.C. 6435(a)) is amended—

9 (1) in paragraph (1)(B), by inserting “, voca-
10 tional and technical training,” after “secondary
11 school completion”;

12 (2) in paragraph (2)(B)—

13 (A) in clause (i), by inserting “and” after
14 the semicolon;

15 (B) in clause (ii), by striking “; and” and
16 inserting a period; and

17 (C) by striking clause (iii);

18 (3) in paragraph (2)(C), by striking “part F of
19 this title” and inserting “part H”; and

20 (4) in paragraph (2)(D), by striking “section
21 14701” and inserting “section 8651”.

22 **SEC. 136. TRANSITION SERVICES.**

23 Section 1418(a) (20 U.S.C. 6438(a)) is amended by
24 striking “10 percent” and inserting “15 percent”.



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1 **SEC. 137. PURPOSE.**

2 Section 1421(3) (20 U.S.C. 6451(3)) is amended to
3 read as follows:

4 “(3) operate programs in local schools for youth
5 returning from correctional facilities and programs
6 which may also serve youth at risk of dropping out
7 of school.”.

8 **SEC. 138. PROGRAMS OPERATED BY LOCAL EDUCATIONAL**
9 **AGENCIES.**

10 Section 1422 (20 U.S.C. 6452) is amended—

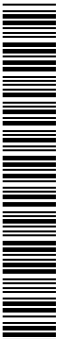
11 (1) in subsection (a), by striking “retained”;

12 (2) by amending subsection (b) to read as fol-
13 lows:

14 “(b) SPECIAL RULE.—A local educational agency
15 which includes a correctional facility that operates a school
16 is not required to operate a program of support for chil-
17 dren returning from such school to a school not operated
18 by a correctional agency but served by such local edu-
19 cational agency if more than 30 percent of the youth at-
20 tending the school operated by the correctional facility will
21 reside outside the boundaries of the local educational
22 agency after leaving such facility.”; and

23 (3) by adding at the end the following:

24 “(d) TRANSITIONAL AND ACADEMIC SERVICES.—
25 Transitional and supportive programs operated in local
26 educational agencies under this subpart shall be designed



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1 primarily to meet the transitional and academic needs of
2 students returning to local educational agencies or alter-
3 native education programs from correctional facilities.
4 Services to students at risk of dropping out of school shall
5 not have a negative impact on meeting the transitional and
6 academic needs of the students returning from correc-
7 tional facilities.”.

8 **SEC. 139. LOCAL EDUCATIONAL AGENCY APPLICATIONS.**

9 Section 1423 (20 U.S.C. 6453) is amended by strik-
10 ing paragraphs (4) through (9) and inserting the fol-
11 lowing:

12 “(4) a description of the program operated by
13 participating schools for children returning from cor-
14 rectional facilities and the types of services that such
15 schools will provide such youth and other at-risk
16 youth;

17 “(5) a description of the characteristics (includ-
18 ing learning difficulties, substance abuse problems,
19 and other special needs) of the youth who will be re-
20 turning from correctional facilities and, as appro-
21 priate, other at-risk youth expected to be served by
22 the program and how the school will coordinate ex-
23 isting educational programs to meet the unique edu-
24 cational needs of such youth;



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1 “(6) as appropriate, a description of how
2 schools will coordinate with existing social, health,
3 and other services to meet the needs of students re-
4 turning from correctional facilities, students at risk
5 of dropping out of school, and other participating
6 students, including prenatal health care and nutri-
7 tion services related to the health of the parent and
8 child, parenting and child development classes, child
9 care, targeted reentry and outreach programs, refer-
10 rals to community resources, and scheduling flexi-
11 bility;

12 “(7) as appropriate, a description of any part-
13 nerships with local businesses to develop training,
14 curriculum-based youth entrepreneurship education,
15 and mentoring services for participating students;

16 “(8) as appropriate, a description of how pro-
17 grams will involve parents in efforts to improve the
18 educational achievement of their children, prevent
19 the involvement of their children in delinquent activi-
20 ties, and encourage their children to remain in
21 school and complete their education;

22 “(9) a description of how the program under
23 this subpart will be coordinated with other Federal,
24 State, and local programs, such as programs under
25 title I of the Workforce Investment Act of 1998 (29



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1 U.S.C. 2801 et seq.) and vocational and technical
2 education programs serving this at-risk population
3 of youth.”.

4 **SEC. 140. USES OF FUNDS.**

5 Section 1424 (20 U.S.C. 6454) is amended by strik-
6 ing paragraphs (1) through (3) and inserting the fol-
7 lowing:

8 “(1) programs that serve youth returning from
9 correctional facilities to local schools, to assist in the
10 transition of such youth to the school environment
11 and help them remain in school in order to complete
12 their education;

13 “(2) providing assistance to other youth at risk
14 of dropping out of school, including pregnant and
15 parenting teenagers;

16 “(3) the coordination of social, health, and
17 other services, including day care, for participating
18 youth, if the provision of such services will improve
19 the likelihood that such youth will complete their
20 education;

21 “(4) special programs to meet the unique aca-
22 demic needs of participating youth, including voca-
23 tional and technical education, special education, ca-
24 reer counseling, curriculum-based youth entrepre-
25 neurship education, and assistance in securing stu-



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1 dent loans or grants for postsecondary education;
2 and

3 “(5) programs providing mentoring and peer
4 mediation.”.

5 **SEC. 141. PROGRAM REQUIREMENTS.**

6 Section 1425 (20 U.S.C. 6455) is amended—

7 (1) in the section heading, by striking “**THIS**
8 **SECTION**” and inserting “**THIS SUBPART**”;

9 (2) in the matter preceding paragraph (1), by
10 striking “this section” and inserting “this subpart”;

11 (3) in paragraph (1), by striking “where fea-
12 sible, ensure educational programs” and inserting
13 “to the extent practicable, ensure that educational
14 programs”;

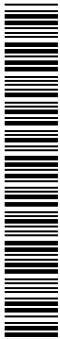
15 (4) in paragraphs (3) and (8), by striking
16 “where feasible,” and inserting “to the extent prac-
17 ticable,”;

18 (5) in paragraph (9)—

19 (A) by striking “this program” and insert-
20 ing “this subpart”;

21 (B) by inserting “and technical” after “vo-
22 cational”; and

23 (C) by inserting “(20 U.S.C. 2801 et
24 seq.)” after “Workforce Investment Act of
25 1998”;



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1 (6) in paragraph (10), by inserting “(42 U.S.C.
2 5601 et seq.)” after “Juvenile Justice and Delin-
3 quency Prevention Act of 1974”; and

4 (7) by amending paragraph (11) to read as fol-
5 lows:

6 “(11) if appropriate, work with local businesses
7 to develop training, curriculum-based youth entre-
8 preneurship education, and mentoring programs for
9 youth.”.

10 **SEC. 142. PROGRAM EVALUATIONS.**

11 Section 1431(a) (20 U.S.C. 6471(a)) is amended by
12 striking “sex, and if feasible,” and inserting “gender,”.

13 **PART E—FEDERAL EVALUATIONS AND**
14 **DEMONSTRATIONS**

15 **SEC. 151. EVALUATIONS.**

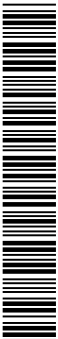
16 Section 1501 (20 U.S.C. 6491) is amended to read
17 as follows:

18 **“SEC. 1501. EVALUATIONS.**

19 **“(a) NATIONAL ASSESSMENT.—**

20 **“(1) IN GENERAL.—**In accordance with this
21 section, the Secretary shall conduct a national as-
22 sessment of programs assisted under this title.

23 **“(2) ISSUES TO BE EXAMINED.—**In conducting
24 the assessment under this subsection, the Secretary
25 shall examine—



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1 “(A) the implementation of programs as-
2 sisted under this title and the impact of such
3 implementation on increasing student academic
4 achievement, particularly schools with high con-
5 centrations of children living in poverty;

6 “(B) the implementation of State stand-
7 ards, assessments, and accountability systems
8 developed under this title and the impact of
9 such implementation on educational programs
10 and instruction at the local level;

11 “(C) the impact of schoolwide programs
12 and targeted assistance programs under this
13 title on improving student academic achieve-
14 ment;

15 “(D) the extent to which varying models of
16 comprehensive school reform are funded under
17 this title, and the effect of the implementation
18 of such models on improving achievement of
19 disadvantaged students;

20 “(E) the cost-effectiveness of programs as-
21 sisted under this title;

22 “(F) the impact of school choice options
23 under section 1116 on the academic achieve-
24 ment of disadvantaged students and schools in
25 school improvement;



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1 “(G) the extent to which corrective actions
2 authorized under section 1116 of this title are
3 employed by State and local educational agen-
4 cies to improve the academic achievement of
5 students in low-performing schools, and the ef-
6 fectiveness of the implementation of such cor-
7 rective actions;

8 “(H) the extent to which technical assist-
9 ance made available under this title is used to
10 improve the achievement of students in low-per-
11 forming schools, and the impact of such assist-
12 ance on such achievement;

13 “(I) the extent to which State and local
14 fiscal accounting requirements under this title
15 limit the flexibility of schoolwide programs;

16 “(J) the impact of the professional devel-
17 opment activities assisted under this title on in-
18 struction and student performance;

19 “(K) the extent to which the assistance
20 made available under this title is targeted to
21 disadvantaged students and schools that need
22 them the most;

23 “(L) the effectiveness of Federal adminis-
24 tration assistance made available under this



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1 title, including monitoring and technical assist-
2 ance; and

3 “(M) such other issues as the Secretary
4 considers appropriate.

5 “(3) SOURCES OF INFORMATION.—In con-
6 ducting the assessment under this subsection, the
7 Secretary shall use information from a variety of
8 sources, including the National Assessment of Edu-
9 cational Progress (carried out under section 411 of
10 the National Education Statistics Act of 1994 (20
11 U.S.C. 9010)), state evaluations, and other research
12 studies.

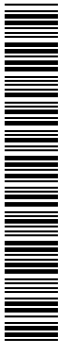
13 “(4) COORDINATION.—In carrying out this sub-
14 section, the Secretary shall—

15 “(A) coordinate conducting the national
16 assessment with conducting the longitudinal
17 study described in subsection (c); and

18 “(B) ensure that the independent review
19 panel described in subsection (d) participates in
20 conducting the national assessment, including
21 planning for and reviewing the assessment.

22 “(5) REPORTS.—

23 “(A) INTERIM REPORT.—Not later than 3
24 years after the date of enactment of the Leave
25 No Child Behind Act of 2001, the Secretary



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1 shall transmit to the President and the Con-
2 gress an interim report on the national assess-
3 ment conducted under this subsection.

4 “(B) FINAL REPORT.—Not later than 4
5 years after the date of enactment of the Leave
6 No Child Behind Act of 2001, the Secretary
7 shall transmit to the President and the Con-
8 gress a final report on the national assessment
9 conducted under this subsection.

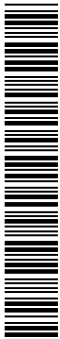
10 “(b) STUDIES AND DATA COLLECTION.—

11 “(1) IN GENERAL.—In addition to other activi-
12 ties described in this section, the Secretary may, di-
13 rectly or through the making of grants to or con-
14 tracts with appropriate entities—

15 “(A) conduct studies and evaluations of
16 the need for, and effectiveness of, each program
17 authorized under this title;

18 “(B) collect the data necessary to comply
19 with the Government Performance and Results
20 Act of 1993; and

21 “(C) provide guidance and technical assist-
22 ance to State education agencies and local edu-
23 cational agencies in developing and maintaining
24 management information systems through
25 which such agencies can develop program per-



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1 formance indicators in order to improve services
2 and performance.

3 “(2) MINIMUM INFORMATION.—Under this sub-
4 section, the Secretary shall collect, at a minimum,
5 trend information on the effect of each program au-
6 thorized under this title, which shall complement the
7 data collected and reported under subsections (a)
8 and (c).

9 “(c) NATIONAL LONGITUDINAL STUDY.—

10 “(1) IN GENERAL.—The Secretary shall con-
11 duct a longitudinal study of schools receiving assist-
12 ance under this title.

13 “(2) ISSUES TO BE EXAMINED.—In carrying
14 out this subsection, the Secretary shall ensure that
15 the study referred to in paragraph (1) provides the
16 Congress and educators with each of the following:

17 “(A) An accurate description and analysis
18 of short-term and long-term effectiveness of the
19 assistance made available under this title upon
20 academic performance.

21 “(B) Information that can be used to im-
22 prove the effectiveness of the assistance made
23 available under this title in enabling students to
24 meet challenging achievement standards.



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1 “(C) An analysis of educational practices
2 or model programs that are effective in improv-
3 ing the achievement of disadvantaged children.

4 “(D) An analysis of the cost-effectiveness
5 of the assistance made available under this title
6 in improving the achievement of disadvantaged
7 children.

8 “(E) An analysis of the effects of the avail-
9 ability of school choice options under section
10 1116 on the academic achievement of disadvan-
11 tagged students and schools in school improve-
12 ment.

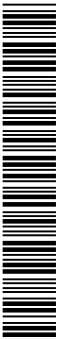
13 “(F) Such other information as the Sec-
14 retary considers appropriate.

15 “(3) SCOPE.—In conducting the study referred
16 to in paragraph (1), the Secretary shall ensure that
17 the study—

18 “(A) bases its analysis on a nationally rep-
19 resentative sample of schools participating in
20 programs under this part;

21 “(B) to the extent practicable, includes in
22 its analysis students who transfer to different
23 schools during the course of the study; and

24 “(C) analyzes varying models or strategies
25 for delivering school services, including—



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1 “(i) schoolwide and targeted services;
2 and

3 “(ii) comprehensive school reform
4 models.

5 “(d) INDEPENDENT REVIEW PANEL.—

6 “(1) IN GENERAL.—The Secretary shall estab-
7 lish an independent review panel (in this subsection
8 referred to as the ‘Review Panel’) to advise the Sec-
9 retary on methodological and other issues that arise
10 in carrying out subsections (a) and (c).

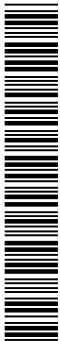
11 “(2) APPOINTMENT OF MEMBERS.—

12 “(A) IN GENERAL.—Subject to subpara-
13 graph (B), the Secretary shall appoint members
14 of the Review Panel from among qualified indi-
15 viduals who are—

16 “(i) specialists in statistics, evalua-
17 tion, research, and assessment;

18 “(ii) education practitioners, including
19 teachers, principals, and local and State
20 superintendents; and

21 “(iii) other individuals with technical
22 expertise who would contribute to the over-
23 all rigor and quality of the program eval-
24 uation.



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1 “(B) LIMITATIONS.—In appointing mem-
2 bers of the Review Panel under this subpara-
3 graph (A), the Secretary shall ensure that—

4 “(i) in order to ensure diversity, a
5 majority of the number of individuals ap-
6 pointed under subparagraph (A)(i) rep-
7 resent disciplines or programs outside the
8 field of education; and

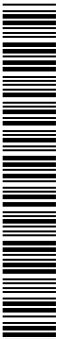
9 “(ii) the total number of the individ-
10 uals appointed under subparagraph (A)(ii)
11 or (A)(iii) does not exceed $\frac{1}{3}$ of the total
12 number of the individuals appointed under
13 this paragraph.

14 “(3) FUNCTIONS.—The Review Panel shall con-
15 sult with and advise the Secretary—

16 “(A) to ensure that the assessment con-
17 ducted under subsection (a) and the study con-
18 ducted under subsection (c)—

19 “(i) adhere to the highest possible
20 standards of quality with respect to re-
21 search design, statistical analysis, and the
22 dissemination of findings; and

23 “(ii) use valid and reliable measures
24 to document program implementation and
25 impacts; and



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1 “(B) to ensure—

2 “(i) that the final report described in
3 subsection (a)(5)(B) is reviewed not later
4 than 120 days after its completion by not
5 less than 2 independent experts in pro-
6 gram evaluation;

7 “(ii) that such experts evaluate and
8 comment on the degree to which the report
9 complies with subsection (a); and

10 “(iii) that the comments of such ex-
11 perts are transmitted with the report
12 under subsection (a)(5)(B).”.

13 **SEC. 152. DEMONSTRATIONS OF INNOVATIVE PRACTICES.**

14 (a) IN GENERAL.—Section 1502 (20 U.S.C. 6492)
15 is amended—

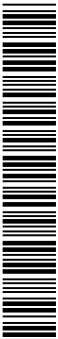
16 (1) by striking subsection (b);

17 (2) by striking “(a) DEMONSTRATION PRO-
18 GRAMS” and all that follows through “IN GEN-
19 ERAL.—From the funds” and inserting “(a) IN
20 GENERAL.—From the funds”;

21 (3) by moving paragraph (2) 2 ems to the left;

22 (4) by redesignating paragraph (2) as sub-
23 section (b); and

24 (5) in subsection (a) (as redesignated by para-
25 graph (2) of this section)—



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1 (A) by moving each of subparagraphs (A)
2 through (F) 2 ems to the left; and

3 (B) by redesignating subparagraphs (A)
4 through (F) as paragraphs (1) through (6), re-
5 spectively.

6 (b) PROMISING STRATEGIES.—Section 1502(a) (as
7 amended by subsection (a) of this section) is further is
8 amended—

9 (1) by inserting “charter schools,” after “other
10 public agencies,”;

11 (2) in paragraph (1), by striking “accelerated
12 curricula” and all that follows through “to reach
13 such standards” and inserting “innovative instruc-
14 tional programs and practices based on reliable,
15 replicable research”;

16 (3) in paragraph (2), by striking “integration of
17 education services” and all that follows through “en-
18 terprise communities” and inserting “public and pri-
19 vate school choice, charter schools, and other such
20 programs to promote school improvement”;

21 (4) in paragraph (3), by striking “whole school
22 reform” and inserting “comprehensive school re-
23 form”;

24 (5) by adding “and” at the end of paragraph
25 (4);



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1 (6) by striking “; and” at the end of paragraph
2 (5) and inserting “, including the use of incentives
3 such as differential or performance based pay to
4 serve areas of high need.”; and
5 (7) by striking paragraph (6).

6 **PART F—COMPREHENSIVE SCHOOL REFORM**

7 **SEC. 161. SCHOOL REFORM.**

8 Part F of title I is amended to read as follows:

9 **“PART F—COMPREHENSIVE SCHOOL REFORM**

10 **“SEC. 1601. COMPREHENSIVE SCHOOL REFORM.**

11 **“(a) FINDINGS AND PURPOSE.—**

12 **“(1) FINDINGS.—Congress finds the following:**

13 **“(A) A number of schools across the coun-**
14 **try have shown impressive gains in student per-**
15 **formance through the use of comprehensive**
16 **models for schoolwide change that incorporate**
17 **virtually all aspects of school operations.**

18 **“(B) No single comprehensive school re-**
19 **form model may be suitable for every school,**
20 **however, schools should be encouraged to exam-**
21 **ine successful, externally developed comprehen-**
22 **sive school reform approaches as they under-**
23 **take comprehensive school reform.**

24 **“(C) Comprehensive school reform is an**
25 **important means by which children are assisted**



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1 in meeting challenging State student perform-
2 ance standards.

3 “(2) PURPOSE.—The purpose of this section is
4 to provide financial incentives for schools to develop
5 comprehensive school reforms, based upon scientif-
6 ically-based research and effective practices that in-
7 clude an emphasis on basic academics and parental
8 involvement so that all children can meet challenging
9 State content and performance standards.

10 “(b) PROGRAM AUTHORIZED.—

11 “(1) IN GENERAL.—The Secretary is authorized
12 to provide grants to State educational agencies to
13 provide subgrants to local educational agencies to
14 carry out the purpose described in subsection (a)(2).

15 “(2) ALLOCATION.—

16 “(A) RESERVATION.—Of the amount ap-
17 propriated under this section, the Secretary
18 may reserve—

19 “(i) not more than 1 percent for
20 schools supported by the Bureau of Indian
21 Affairs and in the United States Virgin Is-
22 lands, Guam, American Samoa, and the
23 Commonwealth of the Northern Mariana
24 Islands; and



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1 “(ii) not more than 1 percent to con-
2 duct national evaluation activities de-
3 scribed under subsection (e).

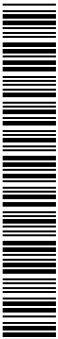
4 “(B) IN GENERAL.—Of the amount of
5 funds remaining after the reservation under
6 subparagraph (A), the Secretary shall allocate
7 to each State for a fiscal year, an amount that
8 bears the same ratio to the amount appro-
9 priated for that fiscal year as the amount made
10 available under section 1124 to the State for
11 the preceding fiscal year bears to the total
12 amount allocated under section 1124 to all
13 States for that year.

14 “(C) REALLOCATION.—If a State does not
15 apply for funds under this section, the Sec-
16 retary shall reallocate such funds to other
17 States that do apply in proportion to the
18 amount allocated to such States under subpara-
19 graph (B).

20 “(c) STATE AWARDS.—

21 “(1) STATE APPLICATION.—

22 “(A) IN GENERAL.—Each State edu-
23 cational agency that desires to receive a grant
24 under this section shall submit an application to
25 the Secretary at such time, in such manner and



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1 containing such other information as the Sec-
2 retary may reasonably require.

3 “(B) CONTENTS.—Each State application
4 shall also describe—

5 “(i) the process and selection criteria
6 by which the State educational agency,
7 using expert review, will select local edu-
8 cational agencies to receive subgrants
9 under this section;

10 “(ii) how the agency will ensure that
11 only comprehensive school reforms that are
12 based on scientifically-based research re-
13 ceive funds under this section;

14 “(iii) how the agency will disseminate
15 materials regarding information on com-
16 prehensive school reforms that are based
17 on scientifically-based research;

18 “(iv) how the agency will evaluate the
19 implementation of such reforms and meas-
20 ure the extent to which the reforms re-
21 sulted in increased student academic per-
22 formance; and

23 “(v) how the agency will provide, upon
24 request, technical assistance to the local
25 educational agency in evaluating, devel-



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1 oping, and implementing comprehensive
2 school reform.

3 “(2) USES OF FUNDS.—

4 “(A) IN GENERAL.—Except as provided in
5 subparagraph (E), a State educational agency
6 that receives an award under this section shall
7 use such funds to provide competitive grants to
8 local educational agencies receiving funds under
9 part A.

10 “(B) GRANT REQUIREMENTS.—A grant to
11 a local educational agency shall be—

12 “(i) of sufficient size and scope to
13 support the initial costs for the particular
14 comprehensive school reform plan selected
15 or designed by each school identified in the
16 application of the local educational agency;

17 “(ii) in an amount not less than
18 \$50,000 to each participating school; and

19 “(iii) renewable for two additional 1-
20 year periods after the initial 1-year grant
21 is made if schools are making substantial
22 progress in the implementation of their re-
23 forms.



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1 “(C) PRIORITY.—The State, in awarding
2 grants under this paragraph, shall give priority
3 to local educational agencies that—

4 “(i) plan to use the funds in schools
5 identified as being in need of improvement
6 or corrective action under section 1116(c);
7 and

8 “(ii) demonstrate a commitment to
9 assist schools with budget allocation, pro-
10 fessional development, and other strategies
11 necessary to ensure the comprehensive
12 school reforms are properly implemented
13 and are sustained in the future.

14 “(D) GRANT CONSIDERATION.—In making
15 subgrant awards under this part, the State edu-
16 cational agency shall take into account the equi-
17 table distribution of awards to different geo-
18 graphic regions within the State, including
19 urban and rural areas, and to schools serving
20 elementary and secondary students.

21 “(E) ADMINISTRATIVE COSTS.—A State
22 educational agency that receives a grant award
23 under this section may reserve not more than 5
24 percent of such award for administrative, eval-
25 uation, and technical assistance expenses.



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1 “(F) SUPPLEMENT.—Funds made avail-
2 able under this section shall be used to supple-
3 ment, not supplant, any other Federal, State,
4 or local funds that would otherwise be available
5 to carry out this section.

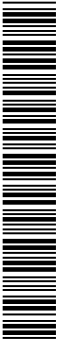
6 “(3) REPORTING.—Each State educational
7 agency that receives an award under this section
8 shall provide to the Secretary such information as
9 the Secretary may require, including the names of
10 local educational agencies and schools selected to re-
11 ceive subgrant awards under this section, the
12 amount of such award, and a description of the com-
13 prehensive school reform model selected and in use.

14 “(d) LOCAL AWARDS.—

15 “(1) IN GENERAL.—Each local educational
16 agency that applies for a subgrant under this section
17 shall—

18 “(A) identify which schools eligible for
19 funds under part A plan to implement a com-
20 prehensive school reform program, including the
21 projected costs of such a program;

22 “(B) describe the scientifically-based com-
23 prehensive school reforms that such schools will
24 implement;



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1 “(C) describe how the agency will provide
2 technical assistance and support for the effec-
3 tive implementation of the scientifically-based
4 school reforms selected by such schools; and

5 “(D) describe how the agency will evaluate
6 the implementation of such reforms and meas-
7 ure the results achieved in improving student
8 academic performance.

9 “(2) COMPONENTS OF THE PROGRAM.—A local
10 educational agency that receives a subgrant award
11 under this section shall provide such funds to
12 schools that implement a comprehensive school re-
13 form program that—

14 “(A) employs innovative strategies and
15 proven methods for student learning, teaching,
16 and school management that are based on sci-
17 entifically-based research and effective practices
18 and have been replicated successfully in schools
19 with diverse characteristics;

20 “(B) integrates a comprehensive design for
21 effective school functioning, including instruc-
22 tion, assessment, classroom management, pro-
23 fessional development, parental involvement,
24 and school management, that aligns the school’s
25 curriculum, technology, professional develop-



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1 ment into a comprehensive reform plan for
2 schoolwide change designed to enable all stu-
3 dents to meet challenging State content and
4 challenging student performance standards and
5 addresses needs identified through a school
6 needs assessment;

7 “(C) provides high-quality and continuous
8 teacher and staff professional development;

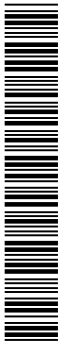
9 “(D) includes measurable goals for student
10 performance and benchmarks for meeting such
11 goals;

12 “(E) is supported by teachers, principals,
13 administrators, and other professional staff;

14 “(F) provides for the meaningful involve-
15 ment of parents and the local community in
16 planning and implementing school improvement
17 activities;

18 “(G) uses high quality external technical
19 support and assistance from an entity, which
20 may be an institution of higher education, with
21 experience and expertise in schoolwide reform
22 and improvement;

23 “(H) includes a plan for the evaluation of
24 the implementation of school reforms and the
25 student results achieved; and



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1 “(I) identifies how other resources, includ-
2 ing Federal, State, local, and private resources,
3 available to the school will be used to coordinate
4 services to support and sustain the school re-
5 form effort.

6 “(3) SPECIAL RULE.—A school that receives
7 funds to develop a comprehensive school reform pro-
8 gram shall not be limited to using the approaches
9 identified or developed by the Department of Edu-
10 cation, but may develop its own comprehensive
11 school reform programs for schoolwide change that
12 comply with paragraph (2).

13 “(e) EVALUATION AND REPORT.—

14 “(1) IN GENERAL.—The Secretary shall develop
15 a plan for a national evaluation of the programs de-
16 veloped pursuant to this section.

17 “(2) EVALUATION.—This national evaluation
18 shall evaluate the implementation and results
19 achieved by schools after 3 years of implementing
20 comprehensive school reforms, and assess the effec-
21 tiveness of comprehensive school reforms in schools
22 with diverse characteristics.

23 “(3) REPORTS.—Prior to the completion of a
24 national evaluation, the Secretary shall submit an
25 interim report outlining first year implementation



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1 activities to the Committees on Education and the
2 Workforce and Appropriations of the House of Rep-
3 resentatives and the Committees on Health, Edu-
4 cation, Labor, and Pensions and Appropriations of
5 the Senate.

6 **PART G—RURAL EDUCATION**

7 **SEC. 171. RURAL EDUCATION.**

8 Title I is amended by adding at the end the following
9 new part:

10 **“PART G—RURAL EDUCATION FLEXIBILITY AND**
11 **ASSISTANCE**

12 **“SEC. 1701. SHORT TITLE.**

13 “This part may be cited as the ‘Rural Education Ini-
14 tiative Act’.

15 **“SEC. 1702. FINDINGS.**

16 “Congress finds the following:

17 “(1) While there are rural education initiatives
18 identified at the State and local level, no Federal
19 education policy focuses on the specific and unique
20 needs of rural school districts and schools.

21 “(2) Small school districts often cannot use
22 Federal grant funds distributed by formula because
23 the formula allocation does not provide enough rev-
24 enue to carry out the program the grant is intended
25 to fund.



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1 “(3) Rural schools often cannot compete for
2 Federal funding distributed by competitive grants
3 because the schools lack the personnel needed to
4 prepare grant applications and the resources to hire
5 specialists in the writing of Federal grant proposals.

6 “(4) A critical problem for rural school districts
7 involves the hiring and retention of qualified admin-
8 istrators and certified teachers (especially in read-
9 ing, science, and mathematics). As a result, teachers
10 in rural schools are almost twice as likely to provide
11 instruction in three or more subject areas than
12 teachers in urban schools. Rural schools also face
13 other tough challenges, such as shrinking local tax
14 bases, high transportation costs, aging buildings,
15 limited course offerings, and limited resources.

16 **“Subpart 1—Rural Education Flexibility**

17 **“SEC. 1711. FORMULA GRANT PROGRAM AUTHORIZED.**

18 “(a) ALTERNATIVE USES.—

19 “(1) IN GENERAL.—Notwithstanding any other
20 provision of law, an eligible local educational agency
21 may use the applicable funding, that the agency is
22 eligible to receive from the State educational agency
23 for a fiscal year, to support local or statewide edu-
24 cation reform efforts intended to improve the aca-
25 demic achievement of elementary school and sec-



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1 ondary school students and the quality of instruction
2 provided for the students.

3 “(2) NOTIFICATION.—An eligible local edu-
4 cational agency shall notify the State educational
5 agency of the local educational agency’s intention to
6 use the applicable funding in accordance with para-
7 graph (1) not later than a date that is established
8 by the State educational agency for the notification.

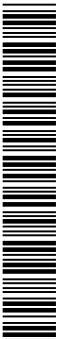
9 “(b) ELIGIBILITY.—

10 “(1) IN GENERAL.—A local educational agency
11 shall be eligible to use the applicable funding in ac-
12 cordance with subsection (a) if—

13 “(A)(i) the total number of students in av-
14 erage daily attendance at all of the schools
15 served by the local educational agency is less
16 than 600; and

17 “(ii) all of the schools served by the local
18 educational agency are designated with a school
19 locale code of 6, 7, or 8 as determined by the
20 Secretary of Education; or

21 “(B) the agency meets the criteria established
22 in subparagraph (A)(i) and the Secretary, in accord-
23 ance with paragraph (2), grants the local edu-
24 cational agency’s request to waive the criteria de-
25 scribed in subparagraph (A)(ii).



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1 “(2) CERTIFICATION.—The Secretary shall de-
2 termine whether or not to waive the criteria de-
3 scribed in paragraph (1)(A)(ii) based on certification
4 provided by the local educational agency, or the
5 State educational agency on behalf of the local edu-
6 cational agency, that the local educational agency is
7 located in an area defined as rural by a govern-
8 mental agency of the State.

9 “(c) APPLICABLE FUNDING.—In this section, the
10 term ‘applicable funding’ means funds provided under
11 each of part A of title II, title III, title IV, and parts A
12 and B of title V.

13 “(d) DISBURSEMENT.—Each State educational agen-
14 cy that receives applicable funding for a fiscal year shall
15 disburse the applicable funding to local educational agen-
16 cies for alternative uses under this section for the fiscal
17 year at the same time that the State educational agency
18 disburses the applicable funding to local educational agen-
19 cies that do not intend to use the applicable funding for
20 such alternative uses for the fiscal year.

21 “(e) SUPPLEMENT NOT SUPPLANT.—Funds used
22 under this section shall be used to supplement and not
23 supplant any other Federal, State, or local education
24 funds that would otherwise be available for the purpose
25 of this subpart.



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1 “(f) SPECIAL RULE.—References in Federal law to
2 funds for the provisions of law set forth in subsection (c)
3 may be considered to be references to funds for this sec-
4 tion.

5 **“SEC. 1712. PROGRAM AUTHORIZED.**

6 “(a) IN GENERAL.—The Secretary is authorized to
7 award grants to eligible local educational agencies to en-
8 able the local educational agencies to support local or
9 statewide education reform efforts intended to improve the
10 academic achievement of elementary school and secondary
11 school students and the quality of instruction provided for
12 the students.

13 “(b) ELIGIBILITY.—

14 “(1) IN GENERAL.—A local educational agency
15 shall be eligible to receive a grant under this section
16 if—

17 “(A)(i) the total number of students in av-
18 erage daily attendance at all of the schools
19 served by the local educational agency is less
20 than 600; and

21 “(ii) all of the schools served by the local
22 educational agency are designated with a school
23 locale code of 6, 7, or 8 as determined by the
24 Secretary of Education; or



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1 “(B) the agency meets the criteria estab-
2 lished in subparagraph (A)(i) and the Sec-
3 retary, in accordance with paragraph (2),
4 grants the local educational agency’s request to
5 waive the criteria described in subparagraph
6 (A)(ii).

7 “(2) CERTIFICATION.—The Secretary shall de-
8 termine whether or not to waive the criteria de-
9 scribed in paragraph (1)(A)(ii) based on certification
10 provided by the local educational agency, or the
11 State educational agency on behalf of the local edu-
12 cational agency, that the local educational agency is
13 located in an area defined as rural by a govern-
14 mental agency of the State.

15 “(c) ALLOCATION.—

16 “(1) IN GENERAL.—Except as provided in para-
17 graph (3), the Secretary shall award a grant to an
18 eligible local educational agency for a fiscal year in
19 an amount equal to the initial amount determined
20 under paragraph (2) for the fiscal year minus the
21 total amount received under the provisions of law
22 described under section 1711(c) for the preceding
23 fiscal year.

24 “(2) DETERMINATION OF THE INITIAL
25 AMOUNT.—The initial amount referred to in para-



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1 graph (1) is equal to \$100 multiplied by the total
2 number of students, over 50 students, in average
3 daily attendance in such eligible agency plus
4 \$20,000, except that the initial amount may not ex-
5 ceed \$60,000.

6 “(3) RATABLE ADJUSTMENT.—

7 “(A) IN GENERAL.—If the amount made
8 available for this subpart for any fiscal year is
9 not sufficient to pay in full the amounts that
10 local educational agencies are eligible to receive
11 under paragraph (1) for such year, the Sec-
12 retary shall ratably reduce such amounts for
13 such year.

14 “(B) ADDITIONAL AMOUNTS.—If addi-
15 tional funds become available for making pay-
16 ments under paragraph (1) for such fiscal year,
17 payments that were reduced under subpara-
18 graph (A) shall be increased on the same basis
19 as such payments were reduced.

20 “(5) CENSUS DETERMINATION.—

21 “(A) IN GENERAL.—Each local educational
22 agency desiring a grant under this section shall
23 conduct a census not later than December 1 of
24 each year to determine the number of kinder-
25 garten through grade 12 students in average



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1 daily attendance at the schools served by the
2 local educational agency.

3 “(B) SUBMISSION.—Each local educational
4 agency shall submit the number described in
5 subparagraph (A) to the Secretary not later
6 than March 1 of each year.

7 “(d) DISBURSAL.—The Secretary shall disburse the
8 funds awarded to a local educational agency under this
9 section for a fiscal year not later than July 1 of that year.

10 “(e) SPECIAL RULE.—A local educational agency
11 that is eligible to receive a grant under this subpart for
12 a fiscal year shall be ineligible to receive funds for such
13 fiscal year under subpart 2.

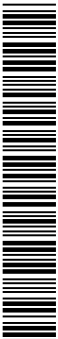
14 “(f) SUPPLEMENT NOT SUPPLANT.—Funds made
15 available under this section shall be used to supplement
16 and not supplant any other Federal, State or local edu-
17 cation funds.

18 **“SEC. 1713. ACCOUNTABILITY.**

19 “(a) ACADEMIC ACHIEVEMENT.—

20 “(1) IN GENERAL.—Each local educational
21 agency that uses or receives funds under section
22 1711 or 1712 for a fiscal year shall administer an
23 assessment consistent with section 1111.

24 “(2) SPECIAL RULE.—Each local educational
25 agency that uses or receives funds under section



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1 1711 or 1712 shall use the same assessment de-
2 scribed in paragraph (1) for each year of participa-
3 tion in the program under such section.

4 “(b) STATE EDUCATIONAL AGENCY DETERMINATION
5 REGARDING CONTINUING PARTICIPATION.—Each State
6 educational agency that receives funding under the provi-
7 sions of law described in section 1711(c) shall—

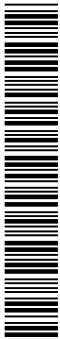
8 “(1) after the second year that a local edu-
9 cational agency participates in a program under sec-
10 tion 1711 or 1712 and on the basis of the results
11 of the assessments described in subsection (a), deter-
12 mine whether the students served by the local edu-
13 cational agency participating in the program per-
14 formed in accordance with section 1111; and

15 “(2) only permit those local educational agen-
16 cies that so participated and met the requirements
17 of section 1111(b)(2) to continue to so participate.

18 **“Subpart 2—Rural Education Assistance**

19 **“SEC. 1721. PROGRAM AUTHORIZED.**

20 “(a) RESERVATIONS.—From amounts appropriated
21 under section 1732 for this subpart for a fiscal year, the
22 Secretary shall reserve $\frac{1}{2}$ of 1 percent to make awards
23 to elementary or secondary schools operated or supported
24 by the Bureau of Indian Affairs to carry out the purpose
25 of this subpart.



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1 “(b) GRANTS TO STATES.—

2 “(1) IN GENERAL.—From amounts appro-
3 priated under section 1732 for this subpart that are
4 not reserved under subsection (a), the Secretary
5 shall award grants for a fiscal year to State edu-
6 cational agencies that have applications approved
7 under section 1723 to enable the State educational
8 agencies to award subgrants to eligible local edu-
9 cational agencies for local authorized activities de-
10 scribed in subsection (c)(2).

11 “(2) ALLOCATION.—From amounts appro-
12 priated for this subpart, the Secretary shall allocate
13 to each State educational agency for a fiscal year an
14 amount that bears the same ratio to the amount of
15 funds appropriated under section 1732 for this sub-
16 part that are not reserved under subsection (a) as
17 the number of students in average daily attendance
18 served by eligible local educational agencies in the
19 State bears to the number of all such students
20 served by eligible local educational agencies in all
21 States for that fiscal year.

22 “(3) DIRECT AWARDS TO SPECIALLY QUALI-
23 FIED AGENCIES.—

24 “(A) NONPARTICIPATING STATE.—If a
25 State educational agency elects not to partici-



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1 pate in the program under this subpart or does
2 not have an application approved under section
3 1723 a specially qualified agency in such State
4 desiring a grant under this subpart shall apply
5 directly to the Secretary to receive an award
6 under this subpart.

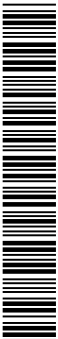
7 “(B) DIRECT AWARDS TO SPECIALLY
8 QUALIFIED AGENCIES.—The Secretary may
9 award, on a competitive basis, the amount the
10 State educational agency is eligible to receive
11 under paragraph (2) directly to specially quali-
12 fied agencies in the State.

13 “(c) LOCAL AWARDS.—

14 “(1) ELIGIBILITY.—A local educational agency
15 shall be eligible to receive funds under this subpart
16 if—

17 “(A) 20 percent or more of the children
18 aged 5 to 17, inclusive, served by the local edu-
19 cational agency are from families with incomes
20 below the poverty line; and

21 “(B) all of the schools served by the agen-
22 cy are designated with a school code of 6, 7, or
23 8 as determined by the Secretary of Education.



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1 “(2) USES OF FUNDS.—Grant funds awarded
2 to local educational agencies or made available to
3 schools under this subpart shall be used for—

4 “(A) teacher recruitment and retention, in-
5 cluding the use of signing bonuses and other fi-
6 nancial incentives;

7 “(B) teacher professional development, in-
8 cluding programs that train teachers to utilize
9 technology to improve teaching and to train
10 special needs teachers;

11 “(C) educational technology, including
12 software and hardware as described in part B
13 of title V;

14 “(D) parental involvement activities; or

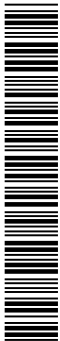
15 “(E) programs to improve student aca-
16 demic achievement.

17 **“SEC. 1722. STATE DISTRIBUTION OF FUNDS.**

18 “(a) AWARD BASIS.—A State educational agency
19 shall award grants to eligible local educational agencies—

20 “(1) on a competitive basis; or

21 “(2) according to a formula based on the num-
22 ber of students in average daily attendance served
23 by the eligible local educational agencies or schools
24 (as appropriate) in the State, as determined by the
25 State.



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1 “(b) ADMINISTRATIVE COSTS.—A State educational
2 agency receiving a grant under this subpart may not use
3 more than 5 percent of the amount of the grant for State
4 administrative costs.

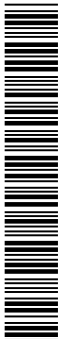
5 **“SEC. 1723. APPLICATIONS.**

6 “Each State educational agency and specially quali-
7 fied agency desiring to receive a grant under this subpart
8 shall submit an application to the Secretary at such time,
9 in such manner, and accompanied by such information as
10 the Secretary may require. Such application shall include
11 specific measurable goals and objectives relating to in-
12 creased student academic achievement, decreased student
13 drop-out rates, or such other factors that the State edu-
14 cational agency or specially qualified agency may choose
15 to measure.

16 **“SEC. 1724. REPORTS.**

17 “(a) STATE REPORTS.—Each State educational
18 agency that receives a grant under this subpart shall pro-
19 vide an annual report to the Secretary. The report shall
20 describe—

21 “(1) the method the State educational agency
22 used to award grants to eligible local educational
23 agencies and to provide assistance to schools under
24 this subpart;



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1 “(2) how local educational agencies and schools
2 used funds provided under this subpart; and

3 “(3) the degree to which progress has been
4 made toward meeting the goals and objectives de-
5 scribed in the application submitted under section
6 1723.

7 “(b) SPECIALLY QUALIFIED AGENCY REPORT.—
8 Each specially qualified agency that receives a grant under
9 this subpart shall provide an annual report to the Sec-
10 retary. Such report shall describe—

11 “(1) how such agency uses funds provided
12 under this subpart; and

13 “(2) the degree to which progress has been
14 made toward meeting the goals and objectives de-
15 scribed in the application submitted under section
16 1721(b)(4)(A).

17 “(c) REPORT TO CONGRESS.—The Secretary shall
18 prepare and submit to the Committee on Education and
19 the Workforce for the House of Representatives and the
20 Committee on Health, Education, Labor, and Pensions for
21 the Senate an annual report. The report shall describe—

22 “(1) the methods the State educational agency
23 used to award grants to eligible local educational
24 agencies and to provide assistance to schools under
25 this subpart;



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1 “(2) how eligible local educational agencies and
2 schools used funds provided under this subpart; and

3 “(3) progress made in meeting specific measur-
4 able educational goals and objectives.

5 **“SEC. 1725. PERFORMANCE REVIEW.**

6 “Three years after a State educational agency or spe-
7 cially qualified agency receives funds under this part, the
8 Secretary shall review the progress of such agency toward
9 achieving the goals and objectives included in its applica-
10 tion, to determine whether the agency has made progress
11 toward meeting such goals and objectives. To review the
12 performance of each agency, the Secretary shall—

13 “(1) Review the use of funds of such agency
14 under section 1721(c)(2); and

15 “(2) deny the provision of additional funds in
16 subsequent fiscal years to an agency only if the Sec-
17 retary determines, after notice and an opportunity
18 for a hearing, that the agency’s use of funds has
19 been inadequate to justify continuation of such fund-
20 ing.

21 **“SEC. 1726. DEFINITIONS.**

22 “In this subpart—

23 “(1) The term ‘poverty line’ means the poverty
24 line (as defined by the Office of Management and
25 Budget, and revised annually in accordance with sec-



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1 tion 673(2) of the Community Services Block Grant
2 Act (42 U.S.C. 9902(2))) applicable to a family of
3 the size involved.

4 “(2) The term ‘specially qualified agency’
5 means an eligible local educational agency, located in
6 a State that does not participate in a program under
7 this subpart in a fiscal year, that may apply directly
8 to the Secretary for a grant in such year in accord-
9 ance with section 1721(b)(4).

10 **“Subpart 3—General Provisions**

11 **“SEC. 1731. DEFINITION.**

12 “In this part, the term ‘State’ means each of the 50
13 States, the District of Columbia, and the Commonwealth
14 of Puerto Rico.”.

15 **PART H—GENERAL PROVISIONS OF TITLE I**

16 **SEC. 181. GENERAL PROVISIONS.**

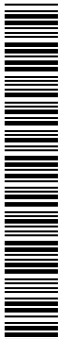
17 Title I is amended further by adding at the end the
18 following:

19 **“PART H—GENERAL PROVISIONS**

20 **“SEC. 1801. FEDERAL REGULATIONS.**

21 “(a) IN GENERAL.—The Secretary is authorized to
22 issue such regulations as are necessary to ensure reason-
23 able compliance with this title.

24 “(b) NEGOTIATED RULEMAKING PROCESS.—



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1 “(1) IN GENERAL.—Prior to publishing in the
2 Federal Register proposed regulations to carry out
3 this title, the Secretary shall obtain the advice and
4 recommendations of representatives of Federal,
5 State, and local administrators, parents, teachers,
6 paraprofessionals, and members of local boards of
7 education involved with the implementation and op-
8 eration of programs under this title.

9 “(2) MEETINGS AND ELECTRONIC EX-
10 CHANGE.—Such advice and recommendation may be
11 obtained through such mechanisms as regional meet-
12 ings and electronic exchanges of information.

13 “(3) PROPOSED REGULATIONS.—After obtain-
14 ing such advice and recommendations, and prior to
15 publishing proposed regulations, the Secretary
16 shall—

17 “(A) establish a negotiated rulemaking
18 process on a minimum of three key issues,
19 including—

20 “(i) accountability;

21 “(ii) implementation of assessments;

22 and

23 “(iii) use of paraprofessionals;

24 “(B) select individuals to participate in
25 such process from among individuals or groups



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1 which provided advice and recommendations, in-
2 cluding representation from all geographic re-
3 gions of the United States; and

4 “(C) prepare a draft of proposed regula-
5 tions that shall be provided to the individuals
6 selected by the Secretary under subparagraph
7 (B) not less than 15 days prior to the first
8 meeting under such process.

9 “(4) PROCESS.—Such process—

10 “(A) shall be conducted in a timely manner
11 to ensure that final regulations are issued by
12 the Secretary not later than 1 year after the
13 date of the enactment of the No Child Left Be-
14 hind Act of 2001; and

15 “(B) shall not be subject to the Federal
16 Advisory Committee Act but shall otherwise fol-
17 low the provisions of the Negotiated Rule-
18 making Act of 1990 (5 U.S.C. 561 et seq.).

19 “(5) EMERGENCY SITUATION.—In an
20 emergency situation in which regulations to
21 carry out this title must be issued within a very
22 limited time to assist State and local edu-
23 cational agencies with the operation of a pro-
24 gram under this title, the Secretary may issue
25 proposed regulations without following such



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1 process but shall, immediately thereafter and
2 prior to issuing final regulations, conduct re-
3 gional meetings to review such proposed regula-
4 tions.

5 “(c) LIMITATION.—Regulations to carry out this part
6 may not require local programs to follow a particular in-
7 structional model, such as the provision of services outside
8 the regular classroom or school program.

9 **“SEC. 1802. AGREEMENTS AND RECORDS.**

10 “(a) AGREEMENTS.—All published proposed regula-
11 tions shall conform to agreements that result from nego-
12 tiated rulemaking described in section 1601 unless the
13 Secretary reopens the negotiated rulemaking process or
14 provides a written explanation to the participants involved
15 in the process explaining why the Secretary decided to de-
16 part from and not adhere to such agreements.

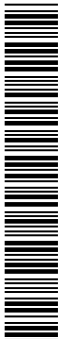
17 “(b) RECORDS.—The Secretary shall ensure that an
18 accurate and reliable record of agreements reached during
19 the negotiations process is maintained.

20 **“SEC. 1803. STATE ADMINISTRATION.**

21 “(a) RULEMAKING.—

22 “(1) IN GENERAL.—Each State that receives
23 funds under this title shall—

24 “(A) ensure that any State rules, regula-
25 tions, and policies relating to this title conform



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1 to the purposes of this title and provide any
2 such proposed rules, regulations, and policies to
3 the committee of practitioners under subsection
4 (b) for their review and comment;

5 “(B) minimize such rules, regulations, and
6 policies to which their local educational agencies
7 and schools are subject;

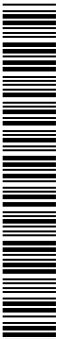
8 “(C) eliminate or modify State and local
9 fiscal accounting requirements in order to facili-
10 tate the ability of schools to consolidate funds
11 under schoolwide programs; and

12 “(D) identify any such rule, regulation, or
13 policy as a State-imposed requirement.

14 “(2) SUPPORT AND FACILITATION.—State
15 rules, regulations, and policies under this title shall
16 support and facilitate local educational agency and
17 school-level systemic reform designed to enable all
18 children to meet the challenging State student per-
19 formance standards.

20 “(b) COMMITTEE OF PRACTITIONERS.—

21 “(1) IN GENERAL.—Each State educational
22 agency shall create a State committee of practi-
23 tioners to advise the State in carrying out its re-
24 sponsibilities under this title.



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1 “(2) MEMBERSHIP.—Each such committee
2 shall include—

3 “(A) as a majority of its members, rep-
4 resentatives from local educational agencies;

5 “(B) administrators, including the admin-
6 istrators of programs described in other parts
7 of this title;

8 “(C) teachers, including vocational edu-
9 cators;

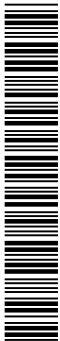
10 “(D) parents;

11 “(E) members of local boards of education;

12 “(F) representatives of private school chil-
13 dren; and

14 “(G) pupil services personnel.

15 “(3) DUTIES.—The duties of such committee
16 shall include a review, prior to publication, of any
17 proposed or final State rule or regulation pursuant
18 to this title. In an emergency situation where such
19 rule or regulation must be issued within a very lim-
20 ited time to assist local educational agencies with
21 the operation of the program under this title, the
22 State educational agency may issue a regulation
23 without prior consultation, but shall immediately
24 thereafter convene the State committee of practi-



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1 tioners to review the emergency regulation prior to
2 issuance in final form.

3 **“SEC. 1804. LOCAL ADMINISTRATIVE COST LIMITATION.**

4 “(a) LOCAL ADMINISTRATIVE COST LIMITATION.—
5 Each local educational agency may use not more than 4
6 percent of funds received under part A for administrative
7 expenses.

8 “(b) REGULATIONS.—The Secretary, after consulting
9 with State and local officials and other experts in school
10 finance, shall develop and issue regulations that define the
11 term administrative cost for purposes of this title. Such
12 definition shall be consistent with generally accepted ac-
13 counting principles. The Secretary shall publish final regu-
14 lations on this section not later than 1 year after the date
15 of the enactment of the No Child Left Behind Act of 2001.

16 **“SEC. 1805. APPLICABILITY.**

17 “Nothing in this title shall be construed to affect
18 home schools nor shall any home schooled student be re-
19 quired to participate in any assessment referenced in this
20 title.

21 **“SEC. 1806. PRIVATE SCHOOLS.**

22 “Nothing in this title shall be construed to affect any
23 private school that does not receive funds or services under
24 this title.



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1 **“SEC. 1807. PRIVACY OF ASSESSMENT RESULTS.**

2 “Any results from individual assessments referenced
3 in this title which become part of the education records
4 of the student shall have the protections as provided in
5 section 444 of the General Education Provisions Act.”.

